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foreign trade

CANADA

BRITISH TRADE in TRANSITION (page three)

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foreign trade

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cover Before this British china is packed for export, experienced eyes examine it to make sure that it has no flaws and will maintain the maker's reputation. China continues to be an important British export but since the war, new U.K. products have also won a place in foreign markets. For a report on the changing nature of British trade, turn to page three.

—Photo by U.K. Information Office.

Spotlight on Salisbury

EARLY THIS MONTH the Canadian Trade Commissioner Service opened its 54th office. It chose for this move the busy capital of an expanding country—the city of Salisbury, administrative centre of the Federation of Rhodesia and Nyasaland, which came into being in October 1953. To this new post the Service has dispatched Wiley J. Millyard, for the past three years Commercial Secretary at the Canadian Embassy in Bogotá, Colombia.

The Federation, whose early history goes back to Cecil Rhodes and his British South Africa Company, covers 485 thousand square miles and has a population of about seven million, including 226 thousand Europeans. It is a country with rich resources and vigorous plans for the future . . . a country which should increase year by year its purchases of Canadian goods.

Last year the Federation had a net national income of £233.7 million. A major part of this came from the great copper mines of Northern Rhodesia, largest source of copper in the Commonwealth, with estimated reserves of 700 million tons. Southern Rhodesia's tobacco crop ranked second as a money-earner and asbestos, gold and chrome from its mines and tea and tobacco from agricultural Nyasaland also figured largely among its exports.

Ambitious development projects are taking shape in the Federation, designed to alleviate two pressing problems—transportation bottlenecks, especially on the routes to nearby seaports, and the shortage of electric power. Work will begin shortly on an £86 million power project at the Kariba Gorge, and from 1954-57, £18 million is being spent on railway expansion. Private dollar and sterling investment in the area is increasing.

Abundant natural resources, a sturdy export trade in primary products, investment opportunities that are attracting capital, comparatively little secondary industry and the advantage of British preferential tariff—all these make the Federation a market Canadian exporters should cultivate. Last year Canada sold about $4 million worth of goods there, almost double her 1953 sales, and prospects are bright for the future. The Salisbury office—which will include British East Africa in its territory—stands ready to help Canadian traders make the most of this opportunity.

—The Editor

editorial

British Trade in Transition

Careful comparison of 1954 figures with those of 1938 reveals certain striking changes in composition and direction of British trade. Statistics for last year show Canadian sales to and purchases from the U.K. down slightly but indications point to a 1955 improvement.

R. P. BOWER, *Commercial Counsellor, London.*

"So . . . I feel in regard to this aged England . . . pressed upon by transitions of trade and . . . competing populations,—I see her not dispirited, not weak, but well remembering that she has seen dark days before;—indeed, with a kind of instinct that she sees a little better in a cloudy day, and that, in storm of battle and calamity, she has a secret vigour and a pulse like a cannon."

RALPH WALDO EMERSON spoke these words in 1847 at Manchester, England. They are as appropriate to the England of the decade just past as they were to the England of Emerson's time. Pressed by "transitions of trade" the United Kingdom has had to revive old markets, forge new ones, and expand existing outlets. She has had to develop trade in products which, if they were made in England before the war, were certainly not a serious factor in her exports. Radios, motor cars, electric home appliances and aircraft are only a few of the many new products to carry the "Made in Britain" label.

"We must export or perish" is a cliché which many countries have proclaimed to accent their basic trade requirements. In few countries has the saying greater validity than in the United Kingdom. With her very limited natural resources the United Kingdom could never sustain a population of 55 million without a heavy import program. Coal production cannot keep pace with the growing demand; only half the iron ore requirements of some 30 million tons a year can be obtained from local sources. Half the import bill of the United Kingdom today is for things which cannot be produced at home, things which need for their production natural resources or climatic conditions not found in the British Isles. Petroleum, iron ore, ferro-alloys, non-ferrous metals, diamonds, mica, phosphate rock—totalling about 15 per cent of all British imports—must come from places where nature has located the deposits. Climatic considerations preclude the economic production of a further 25 per cent of the total: cotton, jute, vegetable oils, rubber, tea, tobacco, and other commodities. Under a heavy food subsidy program the United Kingdom provided only 41 per cent of her food requirements in 1953. Almost a third of Britain's imports consist of farm products she has not room to grow at home.

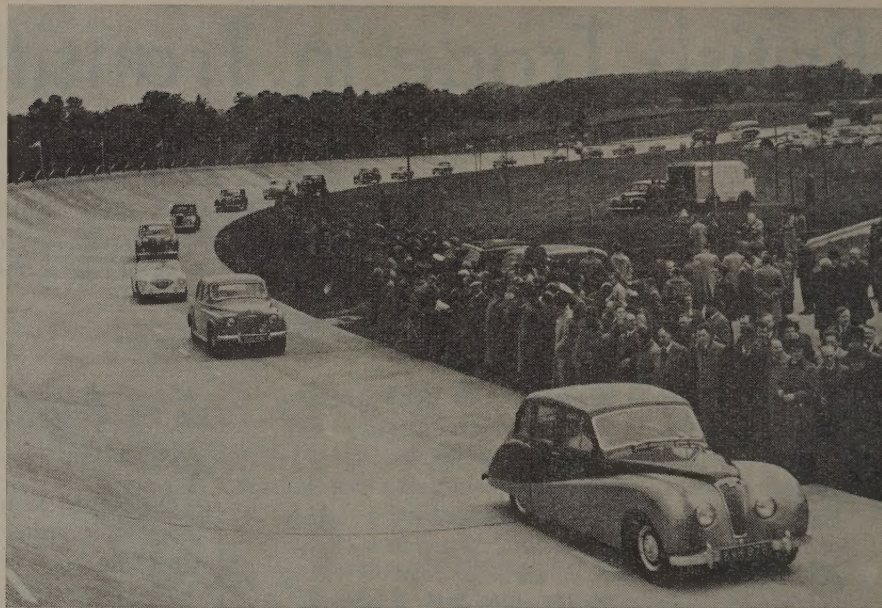
If the United Kingdom is to have these necessities they must be imported and must be paid for. By far the most important source of foreign exchange to pay for them comes from merchandise exports. The struggle to maintain these exports under the many vicissitudes of the postwar years has been the constant concern of the authorities. The following paragraphs deal with the United Kingdom's export and import performance in 1954 and indicate the altered pattern which "transitions of trade" have imposed.

It is difficult to compare current United Kingdom trade performance with the past. Not only have prices altered but the value of the pound sterling in terms of gold and of other currencies has fluctuated widely. Taking as many of these factors into account as possible, however, it has been estimated that the volume of United Kingdom imports in 1954 was about 12 per cent lower than in 1938 and exports were 50 per cent higher. These figures illustrate the extent of the change in the pattern of United Kingdom trade as a result of changed world circumstances. The United Kingdom motor car industry is typical. In 1938 less than 100 thousand British motor cars were sold abroad. In 1954, the figure was just short of half a million. At the same time, the number of motor cars imported into the United Kingdom has remained almost unchanged. Domestic washing machines provide an even more striking illustration. In 1938, some 400 British-made electric washing machines were exported. In 1954, the figure was over 200 thousand. In the earlier year the United Kingdom bought 15,000 such machines from Canada alone; in 1954 none was imported from any source.

United Kingdom Exports

The value of United Kingdom exports in 1954 was £107 million short of the value of United Kingdom imports. This was a 10 per cent improvement over

On this proving ground maintained by the Motor Industry Research Association in Warwickshire, British motor cars are tried out. Picture shows a Lea Francis in front, followed by a Rover. In 1954, Britain sold abroad nearly half a million motor cars compared with a mere 100 thousand in 1948.
—U.K. Information Office.



the position in 1953, but it underlines how important it remains for the United Kingdom to strengthen exports if anything approaching the 1954 level of imports is to be maintained.

The performance of motor cars and washing machines suggests that United Kingdom industry is adapting itself to the changed requirements of overseas customers. How is the country doing in dealing with the altered pattern of trade resulting from political and social changes in former markets? Ground has been lost in Iron Curtain countries. Taken as a group these countries represented the fourth largest outlet for British goods in 1938. In 1954, they were in twenty-fourth place. South American markets generally have proved less rewarding than before the war. Argentina, which was in eighth position in 1938, was 27th in 1954. On the other hand, efforts to earn dollars have succeeded to the point where the United States is now the third best outlet for British goods compared with sixth in 1938. Australia has replaced South Africa as the best customer, while Canada is in fourth place—the same position she occupied in 1938. The British position has improved in all the Western European countries except France and Germany.

British exports in 1954 were valued at £2,673 million, an increase of £91 million over 1953. Increases occurred in thirty broad classifications and decreases in nineteen. The greatest gains were in manufactured chemicals, where values rose by £26 million to £204 million. This is ten times the value of prewar British chemical exports. Road vehicles and aircraft also moved upward from £290 million in 1953 to £307 million in 1954. Other gains were recorded by ships and boats (£40 million to £50 million); machinery other than electric (£397 million to £407 million); miscellaneous textiles (£82 million to £90 million), and paper and paperboard manufactures (£29 million to £33 million). The major losses were in cotton yarns and woven fabrics, where values fell to £112 million from £117 million in 1953, and in woollen and worsted yarns and fabrics (£87 million to £83 million).

United Kingdom Exports to Canada

United Kingdom shipments to Canada in 1954 were valued at £132 million, a decline of £24 million on 1953 performance. In view of all the efforts to earn more dollars this was disappointing. The falling-off, however, appears to have been due to a modest decline in Canadian imports of the classes of goods which the U.K. exports, rather than to any basic deterioration in the competitive position of United Kingdom goods. Canadian imports from all countries were 6·6 per cent lower in value in 1954 than in 1953.

The loss of business in textiles, iron and steel, automobiles and machine tools was almost entirely responsible for the decline. The value of woollen and worsted yarn and fabric shipments to Canada fell from £15 million in 1953 to £11 million in 1954. Despite this, Canada remained the best customer the United Kingdom has in this field and took 13 per cent of all exports. Shipments of steel plates and sheets to Canada fell by £2 million to £1·6 million and pipes and tubes also lost ground, dropping to £3·6 million from £4·4 million. Shipments of machinery interrupted a satisfactory postwar trend by falling almost £3 million to £18·6 million. The largest decline was in motor cars. The number shipped fell from 29,000 to 16,400 and the value from £10·5 to £5·7 million. This was

contrary to the general trend—the United Kingdom exported 315,723 cars and taxis in 1954 compared with 264,390 in 1953. Over 11 per cent of all British exports came from the road vehicle and aircraft industries in 1954 compared with less than 6 per cent in 1938.

Canada remains a good market for United Kingdom chemicals, taking almost £7 million worth in both 1953 and 1954. Non-metallic mineral manufactures are also important; the principal ones are cement, glass and pottery. Shipments in 1954 were valued at £7·5 million. The outlook for British exports to Canada is hopeful. Good foundations have been laid and future years should see rewards for earlier investments.

United Kingdom Imports

Because the United Kingdom is obliged to import the bulk of the raw materials which go to feed the industries producing goods for export, it is natural that food and raw materials should account for the bulk of the import bill. In 1954, out of total imports valued at £3,379 million, 70 per cent consisted of basic materials, food, drink, and tobacco, and only 30 per cent of manufactured goods. Because Canada is a storehouse of so many raw materials, she has always been an important supplier. In 1954 Canada, with shipments valued at £273 million, was ousted from first position by the United States who supplied goods valued at £283 million. The other principal suppliers in order of importance were Australia (£236·7 million), New Zealand (£177), Kuwait (£135) and Denmark (£124·5).

Sixty per cent of purchases from the United States consisted of tobacco, raw cotton, cereals, petroleum and petroleum products, and chemicals. In the case of Canada, cereals, lumber, pulp and paper, metals and ores accounted for 80 per cent of all imports. Raw wool, meat and meat preparations, fruit and vegetables, dairy products, cereals, and base metals made up 84 per cent of the imports from Australia. In the case of New Zealand, three items—dairy products, meat and wool—made up over 90 per cent of the £177 million worth which the United Kingdom bought there. Only by finding, developing and holding her overseas markets for manufactured goods can the United Kingdom earn the foreign exchange to pay for raw materials on such a scale.

United Kingdom Imports from Canada

Canadian exports to the United Kingdom in 1954 declined by £32·5 million to £273 million. Britain, however, remained Canada's second best customer, taking 6 per cent of our merchandise exports for the year. Canada obtained 8 per cent of the U.K. market in 1954 compared with 9 per cent in 1953 and dropped from first to second place as a supplier to Britain. Ever since the war's end, Canada and the United States have been jockeying for the position of leading supplier with Canada in front in four years and the United States in six.

The fall in the value of Canadian cereal shipments in 1954 (£33·6 million) more than accounted for the fall in total trade. In 1954, Canada shipped 39·2 million cwt. of wheat to the United Kingdom valued at £55 million, compared with 55·8 million cwt. and £84 million in 1953. Barley sales were slightly larger at 11·6 million cwt., but values were lower by £700 thousand at £13·6 million. In almost every other field Canadian exports to the United Kingdom were higher in 1954 than in 1953. Fish shipments, largely canned salmon, rose by £2 million to £3·7 million. Lumber sales reached £35·5 from £27·7 million the year before; pulp at £13·2 million was £2·5 million above 1953.

The market for Canadian chemicals continued to expand, with the United Kingdom importing £6 million in 1954 compared with £4 million in 1953. Synthetic rubber sales were also encouraging, rising to 7,161 tons from 2,690 the year before.

Canadian newsprint sales at £12 million were twice what they were in 1952 and 50 per cent higher than in 1953. Over 70 per cent of the newsprint imported into the United Kingdom in 1954 originated in Canada. There was also a heavy increase in the value of non-ferrous base metals imported from Canada, the values for 1954 and 1953 being £59·7 million and £49·3 million respectively. The return of freedom to the metal markets has revealed the strong position of the Canadian suppliers. All the metals except lead did better in 1954 than in 1953.

Outlook

With the exception of cereals and one or two minor items such as whisky (the import of which fell from £351 thousand in 1953 to £73,000 in 1954) practically every Canadian export to the United Kingdom did better in 1954 than in 1953. The rate of import at the close of the year was rising, which might suggest a continuation of this trend. The cereal position has improved materially; the United Kingdom has bought twice as much Canadian wheat in the first two months of 1955 as in the same months of 1954. On the other hand, the United Kingdom Government has taken certain fiscal steps to curtail home demand and these may be reflected in a falling-off in the demand for imports as the year progresses. Nevertheless, the outlook is for a continuing high level of imports in 1955 and there is every reason to believe that Canada will be able to maintain or improve her position. ●

From 1862 on, the U.S. Government, through research, provision of credit, soil conservation programs, and so on, has had a part in increasing food and farm production and making agriculture more efficient.

How the U.S. Government Helps the Farmer

W. C. HOPPER, *Agricultural Counsellor, Washington.*

FEDERAL LEGISLATION to aid United States farmers directly and benefit the nation as a whole indirectly is of many kinds. One of the earliest examples is the law passed to set up the United States Department of Agriculture in 1862. As the needs of food and fibre producers became better known, as farm and non-farm populations increased, and as agriculture became more of a commercial industry, new agricultural statutes were added and federal appropriations for agriculture grew as additional services were provided.

A few of the more important services which the Federal Department of Agriculture gives to U.S. farmers include:

- Assistance in conserving soil and water resources.
- Research into new methods of producing and marketing agricultural commodities.
- Provision of rural credit of various kinds.
- Aid to the states and state agricultural colleges for research, teaching and the extension to farmers of knowledge of improved farm practices.
- Support for prices of certain agricultural commodities.
- Promotion of trade in agricultural products at home and abroad.

Soil and Water Conservation

Probably no other agricultural legislation has wider support than that on soil and water conservation. The top six inches of soil plus rainfall produce most of the food for the people of the United States and also help to provide a surplus for export. About $75 million was earmarked in the present year's Federal Government appropriations for research and for technical assistance to farmers under the Soil Conservation Service. Congress also authorized the expenditure of $250 million in cost-sharing on a dollar-for-dollar basis with farmers in all states who undertake recommended conservation practices. More than two million farmers participated in the Agricultural Conservation Program in 1953 and the average payment was about $86 per farmer though it varied considerably among states. Despite this work, the soils are still deteriorating and the Government recognizes this fact.

Agricultural Research

With the increasing population, more and more emphasis is being placed on agricultural research. Progress in the past twenty years has been substantial but if the needs of the growing population are to be met, production must be stepped up as much in the next twenty years as in the last twenty. About $140 million has been included in federal and state budgets of the next fiscal year for research by scientists in the Federal Government and in Land-Grant Colleges. In addition, United States industry is spending about $140 million a year in agricultural research. About $90 million of this goes to research in the processing and distribution of agricultural commodities and about $50 million for experiments in farm machinery and equipment, fertilizers and insecticides. It is expected that the research programs in the United States for agriculture will be doubled in the next five to ten years.

One of the outstanding contributions of plant breeders to U.S. agriculture has been the development of hybrid corn. Undoubtedly this is the food production story of the century. Increased yields from hybrids are enough to provide an extra 35 pounds of pork each year for every person in the United States. In 1935, only about 1 per cent of the cornland was planted to hybrids and the annual yield was 24 bushels per acre. In 1954, about 87 per cent of the cornland was growing hybrids and the national yield per acre has risen to 37 bushels.

Thirty years ago, the United States produced five million bushels of soybeans. The development of more productive varieties and the adoption of better cultural methods resulted in a harvest of about 343 million bushels in 1954. The yield of soybeans per acre has increased from an average of 12 bushels in 1925 to 20 bushels in 1954.

Research has also brought other advances. Among the more interesting are:

- Use of growth stimulators, such as hormone preparations and antibiotics, in animal feeds to step up production of beef, pork and poultry products.
- Increase in the area of land planted to grass and legumes, to improve the prospects for meat production. About three times as many acres are planted to grass now as twenty years ago.
- A continuing series of studies on how to reduce the estimated $13 billion annual loss from weeds, insects and diseases.

The U.S. Department of Agriculture is also studying, in co-operation with agricultural colleges and other institutions, the use of atomic energy in plant breeding, in sterilization of food, and in other ways.

Developing Agricultural Markets

Research is not only directed to increasing production and improving distribution, but also toward developing domestic markets for agricultural products. In these programs the use of agricultural products for food receives priority, followed by their use for feed and industrial products. For instance, scientific workers are trying to produce a whole dried milk powder similar to the citrus powder developed recently. This powder requires no refrigeration and, of course, can be transported much more cheaply.

They are trying also to find new uses for vegetable and animal fats and oils, such as in the manufacture of plastics; industries of this kind may in the future possibly use as much as 200 million pounds a year. Research is continuing on the use of fats and oils in animal feedstuffs, which could result in a market for 200 million to 400 million pounds a year. Scientists are also endeavouring to find ways of using agricultural fats and oils as lubricants, and the outlook is encouraging. One major reason for the current surplus of edible fats is the rise of detergents. Billions of pounds of farm-grown vegetable fats were formerly used to make soap. Now the market to a major extent has been taken over by chemicals which form the base of detergents and a surplus of fats is backing up on farms.

Considerable work is under way to improve bread so that it will not go stale so quickly. Surveys indicate that the first half of the loaf is eaten more readily than the staler second half, which is often wasted. Research studies are now in progress to up-grade feed wheat by microbial action, so that it will have a higher protein content.

Providing Credit

Another rural problem in which the Government is taking a hand is the provision of credit. The Farm Credit Administration which operates under federal laws provides money on reasonable terms for the purchase of farms and for the production of agricultural commodities, and also for co-operative marketing and purchasing organizations. About $2·3 billion a year is loaned by this Administration.

Then there is the Farmers' Home Administration, another federal credit agency. It has loaned about $750 million for the purchase of farms, for building farmhouses and for the improvement of farms to borrowers who cannot obtain credit elsewhere. Each borrower must agree to operate his farm according to the directions of a government specialist in farm management.

The Farmer Still Helps Himself . . .

A part of the income of United States farmers comes from the Federal Government. But the Secretary of Agriculture showed in a recent address, by example, that the government contribution to farmers' incomes was small compared with the contribution which farmers made themselves. He said:

"A 200-acre grain and livestock farmer in the Midwest received $115 for certain soil conservation practices. He took out a loan on 2,000 bushels of corn. He estimates the difference between his loan and the open market price at 20¢ a bushel. So that's $400 extra for his corn, and $115 for soil conservation—or $515 which the Government contributed to this farmer's gross income of $15,000. The Government accounted for $515. The farmer, through his own efforts, made $14,485. The Government's influence was less than 4 per cent. The farmer's part, more than 96 per cent."

Referring to another farmer, who is a livestock man, the Secretary said:

"He feeds all of his corn, and, of course, there are no price supports on livestock. So his soil conservation payment of $140 was the only government contribution to his gross income of about $18,000. The Government accounts for less than 1 per cent of his income. Through his own efforts, he must make the other 99 per cent.

"This varies, I realize, by crops and by regions, but the fundamental truth is the same: 'What a farmer does on his own farm is more important than what Government can do for him.'"

The development of hybrid corn represents one of the great achievements of U.S. agricultural research. Some 87 per cent of the corn planted today is of hybrid seed. Here hybrid seed corn is being carefully stored on an Iowa farm.
—US DA photo.

The REA, another government agency, has loaned about $3 billion to provide rural people with electricity. In 1935, only 10 per cent of the farms in the United States were electrified; today, about 95 per cent are. Most of the loans were made to rural co-operatives and the losses have been extremely small. The REA is also assisting in providing telephones for rural families. To date, about $267 million has been loaned to 309 borrowers—about 50 per cent are independent telephone companies and 50 per cent rural telephone co-operatives.

Supporting Agricultural Products

The legislation which is probably of greatest interest to Canada is that on price supports and the disposal of surplus agricultural commodities. The first law passed by Congress to establish price supports was in 1933 when corn and cotton prices were supported and the Commodity Credit Corporation was established to look after price support operations. Price supports were extended to other commodities by Congress in 1935, 1938, 1948 and 1949 by amending the 1933 act. At the present time, the prices of the following commodities are supported: wheat, corn, cotton, rice, peanuts, tobacco, dairy products, honey, tung nuts, wool, mohair, barley, oats, rye, grain sorghum, flaxseed, dry edible beans, cottonseed, and crude pine gum. Some of these price supports are mandatory and others are at the discretion of the Secretary.

Amendments made in 1935 to the original 1933 Agricultural Adjustment Act include a section called Section 22, under which authority for import restrictions was established. This section was amended several times. It provides for restrictions on imports of agricultural commodities which may be under a federal agricultural program. Present restrictions, mostly in the nature of quotas, on agricultural commodities of particular interest to Canada include those applied to milling wheat and wheat flour, dairy products, flaxseed and linseed oil, rye, oats and barley.

Another United States law is that relating to the International Wheat Agreement. The last agreement was concluded in 1953 and expires on July 31, 1956, Under this law, the United States Government subsidizes the export of wheat to the extent of about 70 to 75 cents a bushel.

An important feature of the Agricultural Act of 1954 is the change in price supports for basic commodities—wheat, corn, cotton, rice and peanuts. For several years these commodities have been supported at a fixed 90 per cent of parity which, for wheat, was at a national average of $2.24 a bushel in 1954. Under legislation passed in 1954, supports will be flexible. The 1955 crop of wheat will be supported at 82½ per cent of parity, or about $2.06 per bushel, and after 1955 the support will be somewhere between 75 and 90 per cent of parity depending on the supply. Other provisions of this Act include authority for the Secretary of Agriculture to subsidize wool growers to encourage increased production of wool; authority to spend the sum of $50 million to increase consumption of milk in schools, and the transfer of agricultural attachés from the Department of State to the Department of Agriculture. This Act also authorizes the Secretary of Agriculture to establish set-asides of wheat, cotton, cottonseed and other commodities now owned by the CCC to a value not in excess of $2½ billion. These set-asides will not be included in the supply when calculating price supports.

Disposal of Surplus Commodities

Another group of laws of particular interest to Canada provides for the disposal of surplus commodities. They include Section 32 of Public Law 320, which provides that 30 per cent of all customs receipts may be established in a fund to assist in the export and use of agricultural products. This authority is used mainly for perishable commodities.

The Commodity Credit Corporation Charter Act of 1933, as amended from time to time, provides for commercial sales of CCC commodities at home and abroad. Sales in the export market may be made at any price.

Under Title I of the Agricultural Trade Development and Assistance Act of 1954 (Public Law 480), $700 million is provided to reimburse the Commodity Credit

Corporation for agricultural commodities disposed of for local currencies. Sales under Title I must not displace the usual United States markets nor unduly disturb world prices. Under Title II of this Act, $300 million is provided which the President may use to furnish agricultural commodities to relieve famine and other emergencies. Authority for programs under Titles I and II is for a period of three years ending June 30, 1957. Title III of this Act of 1954 provides for the barter of CCC commodities for strategic materials and for goods and equipment required for economic and military aid to other countries. Another section of Title III, amending Section 416 of the Agricultural Adjustment Act, provides for the donation of surplus commodities at home and abroad, including authority for the payment by the United States Government of the packaging, processing, transportation and handling of surplus commodities, up to their delivery at the port of exit, for distribution by United States welfare agencies to needy persons, and for payment of similar charges on donated commodities for domestic distribution up to the time of delivery to public and private welfare agencies and to needy persons in the United States.

Section 402 of the Mutual Security Act of 1954 provides $350 million for the disposal of surplus commodities for local currencies as economic aid to needy countries. This authority expires on June 30, 1955.

On January 10, 1955, the President of the United States presented to Congress a comprehensive report on disposal of surplus commodities under the various sections of Public Law 480, and gave in some detail the figures comprising a $453 million program for the present fiscal year under Title I and also disposal programs under Title II and Title III.

The Secretary of Agriculture recently told the Senate Agriculture Committee that the value of all dispositions of Commodity Credit Corporation stocks of agricultural commodities during 1954 totalled about $1,400 million.

In Conclusion

All this has had an effect on U.S. agricultural production.

The application of the results of research in production and marketing, the more widespread use of labour-saving machinery and equipment, and the acceptance by agricultural producers of the assistance of various kinds made available to them by federal and state governments has made it possible for the United States farmer of today to produce on the average as much food and fibre as five farmers did a century ago. Yet it is still his own energy and thrift and labour which is the decisive factor. ●

NATO Plans Permanent Headquarters

A NATO PERMANENT HEADQUARTERS will soon be constructed on ground which formed part of the former fortifications of Paris.

The building will have six floors providing 42,468 square metres of usable space for some 900 offices, several conference rooms, press area, restaurant, bar and cafeteria. The latter will be located on the top floor with a garden.

Calls for bids for the superstructure of the building will be issued in October 1955, the construction to begin on February 1, 1956. Excavation work and construction of the foundation and garage will not be open to international competitive bidding.

Contractors already accredited for Infrastructure should indicate to the Headquarters Office, Palais de Chaillot, before the first of July 1955 their wish to be included on the list of bidders. Any other contractors will receive complete instructions from the Headquarters Office.

In the interest of economy, the Committee on NATO permanent headquarters hopes that a large number of bidders from the maximum number of countries will submit bids, and delegations of interested governments have been urged to make every effort to advertise this opportunity of bidding to all possible professional groups.

In some instances material will be selected from among various samples and models submitted by manufacturers in NATO member countries. However, it has been pointed out that luxury materials have been excluded and such things as cut stone for facades or paving, stone or marble facing, bronze or heavy steel doors are not required. However, to ensure that the building complies with the required standards of durability and comfort, no attempt has been made to economize on the structural materials.

Commodities which might be of interest to Canadian manufacturers include such things as steel framework, metal windows, heating and ventilating equipment, plumbing and sanitary appliances, floor and wall tiling, elevators, soundproofing and acoustical treatment, furniture, radio and telephone equipment, fire alarm system, fittings for kitchen and bar, carpets and drapes.

Canadian companies interested in following up this matter can either get in touch with the Commodities Branch, Department of Trade and Commerce, or preferably with the Headquarters Office, Palais de Chaillot, through a Paris agent.

fairs and exhibitions

Canadian Textiles and Chemicals at Brussels

FORTY CANADIAN FIRMS—20 manufacturers of textiles and 20 producers of chemicals—took part in Canada's two exhibits at the Brussels International Trade Fair, April 23 to May 8. The exhibits were sponsored by the Department of Trade and Commerce and designed and fabricated by the Exhibition Commission.

The products in the textile display ranged from synthetic yarns, household and clothing fabrics and clothes to tire cord, fish nets and linoleum. Included to attract international buyers were the well-known Canadian blankets, a metallized lining for wearing apparel that has insulating properties, novel towels and nylon wool suiting treated to be water repellent and to resist creasing, a thermo-pac insulated boot, lingerie, and a wide range of sportswear.

The chemicals and allied products exhibit was the most comprehensive display of these products that Canada has ever sent to a European trade fair. Canadian chemical exports have been growing; in 1954 they had a value of $161 million, compared with $138 million in 1953. Chosen for the display at Brussels were some of the leading items in the export trade with Europe, which include: synthetic rubber, polystyrene, penicillin and streptomycin, calcium carbide, dicyandiamide, polyvinyl, chloride acetate resins, acetylene and carbon black, synthetic iron oxide, pyrites, styrene monomer, plastic laminates, and such new petrochemicals as pentaerythritol, phenol, acetone, methanol, formaldehyde, acetic acid and acetic anhydride. Also in the exhibit were some of the results of research by government and industry in the realm of nuclear chemistry, and a number of end products, such as boots, coats, hats and umbrellas for rainy-day wear, inflatable beach toys and automobile tires.

Canadian Cheeses Take Prizes

A FIRST and a third prize were won by Canadian exhibitors at the 1955 Scottish Dairy Show held in February and sponsored by the Glasgow Agricultural Society. In the Dominions Class for cheddar cheese, first prize was awarded to the Elma and Mornington Cheese Factory, of Britton, Ontario, and third prize to Prouses Cheese Factory, Mount Elgin, Ontario. The Reserve for best in the show was also won by the Elma and Mornington Cheese Factory.

Canada exported just over four million pounds of cheese to the United Kingdom last year, with a value of $1·16 million.

Designed for Comfort

A PICTURE of fashionable comfort is drawing foot-weary passers-by to the windows of the Canadian Showroom in the concourse of Rockefeller Center where Canadian slippers are on display until June 10th. Seventeen companies from New Brunswick, Quebec and Ontario are showing their designs for leisure-hour footwear. Quality of the slippers ranges from high to medium and the types include both indoor and outdoor, hard (leather, rubber or composition) and soft-soled, and lined and unlined. For women there are classic opera and dainty boudoir styles in a rainbow of colours, and Indian canoe moccasins for outdoors. Both fabric and leather, including elk, glove cow, special grain sides and suedes, have been used in the manufacture of these slippers and some are beaded, embroidered or trimmed with fur. Some of the moccasin slippers are made of hair sealskin with shearling insoles. Among the slippers for men are some of woven leather and some for travelling which fold into a matching leather case. One manufacturer is also showing ballet slippers.

Sales of Canadian slippers in the United States last year had a total value of $1·6 million. Some of the firms exhibiting in the Showroom have been selling successfully in this market. The following companies are taking part in the display:

Bastien Brothers, Loretteville.
Huron Mfg. Co. Ltd., Loretteville.
Indian Slipper Mfg. Co. Ltd., Loretteville.
Henry Ross Limited, Loretteville.
Frank Hatch Shoes Ltd., Quebec City.
Red Wings of Canada Ltd., Quebec City.
Corey Shoe Co. Ltd., Montreal.
Johnny Brown Theatrical Shoe Mfg. Inc., Montreal.

L. H. Packard Co. Ltd., Montreal.
Parismaid Footwear Co. Ltd., Montreal.
Steadfast Shoe Regd., Montreal.
Ottawa Shoe Mfg. Co. Ltd., Ottawa.
H. N. Groman Co. Ltd., Ottawa.
Palmer McCellan Co. Ltd., Fredericton.
The Humberstone Shoe Co. Ltd., Port Colborne.
Gerry Lewis Ltd., Toronto.
Charles Mfg. Footwear, St. Tite.

Bakers at Hamburg

PROMOTIONAL LITERATURE for the International Bakery Exhibition offers the additional lure of Hamburg at its most beautiful in the spring. Housed in seven buildings in "Planten un Blomen", the city's parkland, the exhibition will have displays of modern equipment such as ice cream machines, ovens, refrigerators, shop and tearoom fittings, as well as the expected confectionery and ingredients—biscuits, cakes, chocolates, jams, flavourings, cereals, grains and flours, yeast and spices. There will also be special displays of model bakeries, cakes and biscuits.

During the exhibition, the Federation of Bakers' Associations will hold a general meeting, and the "Bread Congress", organized by the Study Group on Grain, will hold its third annual international conference. Also meeting during the eleven days of the exhibition will be the International Federation of Master Bakers, Paris.

Dates of the Bakery Exhibition are May 27th to June 6th and information about it can be obtained by writing to: Planten un Blomen, Ausstellungspark der Freien u. Hansestadt Hamburg, Hamburg 36, Am Dammtor.

(Top) A luxurious evening cloak made from 20 Canadian Arctic fox skins set the pace for Canada's all-fur exhibit at the Milan International Trade Fair, April 12-27. Displayed on models wearing Canadian-designed evening and day dresses and suits were coats, jackets, capes and stoles of fox, mink, beaver, chinchilla, marten, muskrat, otter and squirrel. The furs are now in France at the Paris International Trade Fair.

(Middle) Vincent Chapin, Commercial Secretary in The Hague, seems about to demonstrate the efficiency of sports equipment on display in the Canadian exhibit at the Royal Netherlands Industries Fair in Utrecht. Looking on are Frank Harris, Assistant Commercial Secretary, and Fockema Andreae, President of the Fair. (For story see "Foreign Trade," April 2.)

(Bottom) These are just a few of the aluminum products exhibited in the Canadian Showroom, in Rockefeller Center, New York, during January and February. The aluminum goods covered a wide range—from knitting needles and paper slitters to turbine blades, roofing and first-aid stretchers. Several of the products in the display have won awards from the National Industrial Design Committee.

AGRICULTURE in the ARGENTINE

Excellent grain crops in 1953-54 plus heavy carryovers pushed up country's exports in 1954; outlook for '55 harvest is good. Livestock industry recovering from drought; wool and flaxseed producers facing problems.

W. F. HILLHOUSE, *Agricultural Secretary, Buenos Aires.*

GENERALLY GOOD CROPS in 1953-54 and increasing livestock production in 1954 permitted further recovery in the Argentine economy from the effects of the severe droughts of 1949-52. The volume of exports in 1954 was possibly 50 per cent higher than in 1953 mainly because of increased grain exports. Low international grain prices and an aggressive selling policy early in the year prevented Argentina from reaping full benefits from this increase. However, commercial debts were further liquidated and the austere import policy of 1953 relaxed to a certain extent.

Production Prospects

Grain production from the 1954-55 crop year is expected at least to equal that of the previous season in spite of the unfavourable outlook for the corn crop, harvest of which is just beginning. Livestock production is expected to rise slightly over last year and supplies of beef, wool, hides and certain other animal products for export may be somewhat larger. However, carryover stocks of all grains were smaller than last year and the amount of grain for export will be less in 1955. Fruit production and exports are also expected to increase and cotton sales abroad may rise.

Position in Grains

Good cereal production in 1953-54 and heavy carryovers permitted Argentina to export 7·5 million tons of grain and wheat by-products in 1954; Northwest Europe, led by Germany and the Netherlands, replaced Brazil and the United Kingdom as Argentina's best grain customers. A considerable increase in flour exports, shipments of which reached 60,000 tons, featured last year's trade in grain products. Although the present outlook is for a corn crop at least 1·5 million tons smaller than last year, the out-turn of wheat, oats, barley, rye and flaxseed is estimated at about two million tons greater than for 1953-54.

Wheat

From a production in 1953-54 of 6·2 million tons and a carryover of 2·0 million tons, Argentina exported approximately 3·2 million tons of wheat and wheat by-products. This was more than 10 per cent above the previous year but compared unfavourably with the 1930-39 average of 3·7 million tons. The 1954-55 production has been estimated* at 7·5 million tons from 6·1 million hectares and the carryover at approximately 1·5 million tons. Hence, total supplies of wheat this year, at nine million tons, are about 10 per cent higher than last year's 8·2 million. The quality of this year's crop is better than average. Wheat is included in many of Argentina's bilateral agreements and although it is impossible to estimate accurately how much will move under those agreements, the total amount mentioned or implied approximates the country's 1955 exportable surplus. Brazil, Italy, Germany, Japan and Chile are among the more important buyers of wheat under these agreements. Export shipments to date this year are running well above last year and up to March 21 are unofficially reported to have reached over 873 thousand tons compared with about 494 thousand during the same period in 1954.

Corn

At 4·45 million tons from 3·3 million hectares, Argentina's 1953-54 corn crop was the best since 1947-48 when 5·2 million tons were grown on the same area. (Before the war, Argentina produced an average of 7·7 million tons from 5·5 million hectares.) Exports of corn during 1954, at 2·1 million tons, were the best since 1948 and larger than for the three previous years combined. Great Britain and Northwest Europe were as usual the most important markets.

Hybrid varieties, both flint and dent, are obtaining a foothold in Argentina and are proving their worth—especially in hot, dry seasons. Although the area sown to hybrids is still considerably less than 5 per cent of the total, all producers of the seed are expanding their operations as quickly as possible and anticipate no difficulty in selling their seed.

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* Second official estimate released March 30 by Central Bank.

Oats, Barley and Rye

These grains are grouped together because in Argentina they are all planted for the dual purpose of forage during the winter months and then harvesting as grain if circumstances permit. Under such conditions, production fluctuates tremendously and actual output depends largely on the condition of natural pastures during the winter and spring. In 1954 Argentina had an exceptionally large surplus of these grains. Heavy sales were made early in the year at very low prices and as a result exports in 1954, at almost 2·2 million tons, broke all records. Production in 1954-55 has been officially estimated at 3·2 million tons from 5·2 million hectares, compared with approximately 2·5 million tons from 5·0 million hectares the previous year. The individual estimates (which should be considered as preliminary) are oats, 935,000 tons from 1,433,000 hectares; barley, 1,206,000 tons from 1,195,000 hectares; rye, 1,058,000 tons from 2,573,000 hectares.

Although production of these grains this year has been above last year, the carryovers from the old crop were down almost to a practical minimum in all cases. Furthermore, because of the drought in December and January domestic requirements this year are estimated to be somewhat above normal. Hence, export availabilities of these grains are far below last year; only 20,000 tons were sold during January compared with 950 thousand last year, and exports from January 1 to March 21 have been only 181 thousand tons compared with almost 725 thousand in the same period last year.

Vegetable Oils

Argentina's vegetable oils industry currently faces two major problems which are costing the Government both pesos and foreign exchange.

Flaxseed, in prewar days one of Argentina's major exchange earners—an average of over 1·5 million tons per year was exported in 1930-39—has so declined in popularity that in 1953-54 only 410 thousand tons were harvested. A rather nominal increase was obtained this year in response to a 15 per cent price rise. At the same time, Argentina encouraged the construction during the war of crushing mills so that the product could be exported in the more valuable forms of oil, meal, cakes and expellers. As international prices of linseed oil have declined over the past several years, their flaxseed equivalent in Argentine pesos, based on the basic exchange rate of five pesos per U.S. dollar, has gone far below the guaranteed price to the producer. In 1953 this price was 65 pesos per 100 kilos of flaxseed (approximately 2,800 pesos per ton linseed oil) and for the 1954 crop has been increased to 75 pesos. In order to compete, Argentine exports were heavily subsidized in 1954; according to official and trade information over 230 thousand tons were sold at prices ranging from 700 to 970 pesos per ton.

To reduce the cost of this subsidy and on the grounds that these war-induced crushing mills had been given ample opportunity to write off their investment, a plan was introduced to limit the allocation of flaxseed for crushing to integrated mills, which also produced edible oils. Such a plan, by providing adequate supplies for the integrated mills, would reduce their costs of producing edible oils for the domestic market. At the same time, by reducing total flaxseed crushings, oil export subsidies would be cut and the excess flaxseed exported at prices more or less in line with domestic levels. Needless to say, this plan has encountered considerable opposition from millowners and labour. No decision has yet been taken and as a result no flaxseed from the 1954-55 crop has been crushed or allocated.

—Panagra.

One of the huge grain elevators in Buenos Aires, the Argentine capital, with ships loading alongside. Good growing conditions in the last two seasons have brought good cereal crops and these in turn have increased export income and helped in settling the accumulated commercial debts.

Livestock and Products

Despite a fairly serious drought from August 1954 to February 1955 in some important sections of the cattle-breeding and fattening zones, continuing dryness in Patagonia, and unusually hot dry weather in most of the country from November to January, Argentina's livestock industry appears to have held its own or improved its position slightly during the past year. This was reflected in somewhat easier supplies of meat in the domestic market, increased exports of beef, lamb, mutton, canned meat, hides, and certain animal by-products. Good weather during the past two months for pasture growth and seeding of winter feeds has provided the basis for continued improvement in 1955.

In October 1954 control of practically all phases of Argentina's livestock and meat industry was centralized under a new National Meat Institute. Although it is still early to assess the effects of this charge, members of both the Government and the trade are hopeful that it will bring greater stability and larger production and exports.

Cattle

Judging from the composition of inspected slaughterings, trade information and personal observation, the cattle population definitely increased in 1954. Even though slaughter of cows, heifers and calves continued to decline, total 1954 cattle sales in the major market and direct to frigorificos rose by more than 15 per cent over 1953. It is doubtful if marketing throughout the remainder of the country matched this increase but the overall improvement was noteworthy. But because of growing domestic consumption, 1954 exports of chilled and frozen beef carcasses showed no improvement over the previous year, although shipments of beef offal, corned beef, etc., increased. A feature of 1954 exports was the revival on a considerable scale of the export of chilled carcasses; almost 20 per cent of beef carcass exports were of this type. With the British meat trade back in private hands and with the higher prices obtained, this trend should develop further in 1955.

Sheep and the Wool Trade

Lower prices for wool, unfavourable policy on wool exports and prolonged bad weather in Patagonia have combined to prevent the Argentine sheep industry from progressing at the same rate as the cattle industry. In response to the rather exceptional demand for mutton arising from the trade agreements with Eastern European countries, plus the drought and the lack of export demand for Argentine wool at profitable prices, Argentine sheep slaughter is unofficially estimated as the largest in several years. At least part of the increase came from liquidation of breeding stock.

Wool experienced an unsatisfactory export year in 1953-54† (92,850 tons) and 1954 saw the lowest clip in recent Argentine history—only an estimated 165 thousand metric tons.

Since world wool prices tumbled from their 1950-51 peaks, production costs in Argentina have risen steadily. For the latter part of the 1951-52 season and for the most of the 1952-53 season, exports of wool were exempt from the 8 per cent sales tax and were negotiated at the favourable exchange rate of 6·25 pesos per dollar. Under these stimuli, wool exports in 1952-53 amounted to almost 214 thousand tons.

† October 1, 1953—September 30, 1954.

For the 1953-54 season, however, export sales were not exempt from the tax and only exports for free dollars, those under compensatory trade agreements or through official government entities, were negotiated at the favourable rate. The remainder received only the equivalent of five pesos per dollar, at which rate Argentine prices of most types were not competitive. The decline in activity in U.S. carpet mills last year also contributed heavily to the decrease in exports and shipments of coarse crossbreds to the United States were 40 per cent lower last year than in 1953.

Although the Government has steadfastly refused to alter the existing exchange rate structure, it has temporarily (February 11—April 30, 1955) exempted exports of all types of wool from payment of the 8 per cent sales tax.

Although the trade does not consider this move sufficient in itself to restore the Argentine wool trade they expect some improvement over last year. Exports to mid-March this year were about 40 per cent above last year's level, thanks in part to the temporary removal of the 8 per cent sales tax from wool exports.

Hides and Skins

Assisted by trade agreements and an improved exchange rate in the last quarter, Argentine exports of cattle hides in 1954 were approximately 16 per cent larger than in the previous year, because of a more than 100 per cent increase in dried hide shipments. Exports of all other hides, skins and leather, however, declined from the 1953 levels. Argentine cattle hide prices have fallen from 4·08 to 2·45 pesos per kilo between June and November 1954.

In October I.A.P.I. authorized the payment of an export bonus or subsidy of 1·50 pesos per dollar's worth of hides exported, thus raising the effective export exchange rate to 9·00 pesos per dollar or its equivalent. Hence Argentine prices, which a year ago were far above comparable North American prices, are now competitive. Although shipments to Iron Curtain countries increased during 1954, the Netherlands remained Argentina's best customer, taking almost 1·4 million hides, followed by Italy with 1·1 million. Italy's purchase of over 600 thousand dried cattle hides marked the outstanding change from the previous year. Calfskin exports continued their downward trend of recent years mainly because of the continuing decrease in calf slaughter.

Argentine leather exports in 1954 were reduced by 50 per cent from the previous year to only approximately 630 metric tons. This is larger than 1952 exports but compares with an average of approximately 3,000 tons in 1950-51. Poor tanning, increasing competition in the international markets and no improvement in the export exchange rate for leather are probably the major factors in this decline. ●

How's Business in Uruguay?

New government recently elected faces task of controlling inflation, keeping down the public debt, and giving new impetus to industry. High production costs must be cut to maintain export income, and the land made more productive.

W. GIBSON-SMITH, *Commercial Secretary, Montevideo.*

URUGUAY maintained her reputation as a stronghold of democracy in Latin America throughout the recent elections and change of government. There were no disturbances of any kind and outwardly the economic situation of the country appears calm also.

The new Government has, however, taken over an economy which is conscious that it must find basically new solutions to its problems. This article will not deal with external problems, such as the recent lack of interest in Uruguayan supplies on the part of the newly liberated U.K. meat market (traditionally by far Uruguay's best customer) nor with the implications of the continued development of synthetic fibres as far as Uruguay's mainstay, wool, is concerned. It will concentrate instead on the three inter-related internal problems: inflation, government deficits, and high costs.

Deficit Financing Necessary

The official cost of living has risen nearly 10 per cent in a year, according to the government index. This index applies only to a labourer's income and includes many items the prices of which are controlled officially but not always successfully. The wage settlement boards are beginning now to resist demands for wage increases. The average increase in 1954 was about 20 per cent.

The government debt rose by no less than 19 per cent in one year in spite of good times and in spite of a rise in tax revenue of about 100 million pesos (about $31 million at the free market rate). Previously, the Government has resorted, when needing money, to requesting state-owned insurance companies and pension funds to absorb its bond issues. These sources have now largely been saturated. Government bonds are selling well below par but there is not much interest in the market on the part of private capital. Money is tight, generally speaking. Offers of capital from foreign sources do not appear to be sufficient.

Uruguay up to now has not had any personal income tax. It may be that the country will have to introduce such a tax (although it is reluctant to do so) because the multitude of current indirect taxes are proving expensive to collect and contribute to inflation.

Fall-Off in Industrialization

For the first time, the postwar wave of industrialization has slowed down greatly and there is keen competition in many fields. The limited domestic market results in very high costs and it has been impossible to export manufactured articles to any appreciable extent, even with the aid of generous foreign exchange treatment.

An example of high costs of local production is provided by the pharmaceutical industry, which produces or packages most of the local requirements. Similar imported articles are often cheaper, even after paying duties.

The recent conference in New Orleans on private foreign investment possibilities in Latin America brought out the point that outside capitalists regard Uruguay as too small and lacking in basic industrial raw materials to attract them. Industrialization will no doubt continue but probably on a more selective basis. A government-owned company is constructing a new cement plant capable of producing 90,000 metric tons a year which should make the country self-sufficient in this product. U.S. capital has erected a large new mill for the manufacture of corrugated cardboard.

Uruguay is one of the Latin American countries which is taking steps to produce adequate electric power supplies; it is adding a new thermal plant and a hydro-electric development. Electric power consumption is rising at the rate of 15 per cent per year with greatly increased numbers of locally-made household electric appliances, which are sold on easy credit terms in keen competition. Increasing difficulty in obtaining domestic servants has contributed to the widespread introduction of such appliances since the war. Soon nearly all of these will be produced or assembled locally.

The new Government is committed to continuing, or even increasing, the protection of local industries but it is becoming more and more difficult to find suitable

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new industries to introduce in view of the small population and the lack of raw materials. The existence of petroleum in worthwhile quantities in Uruguay remains questionable and there is neither coal nor iron.

Costs Generally High

Wool, hides and skins continue to be virtually the only products which can be produced cheaply enough to be sold abroad at the basic exchange rate.

The new Government is determined to attempt a startling change in the countryside so that more foreign exchange may be obtained from the traditional sources. Hitherto the high-cost problem has been met by subsidies and foreign exchange rate protection. The tendency now will be to devote government help to making production more scientific rather than to supporting inefficient producers. Measures discussed include subsidies for fertilizers, irrigation, aerial spraying of insecticides, fencing, etc., with or without World Bank loans.

In general the feeling is that further industrialization will not pull the country out of its present financial situation. The new Government appears to favour directing attention instead to more scientific methods in agriculture, which is rather backward, with costs above those in most competing nations. In this area Uruguay has natural advantages lacking in the industrial field.

Improving Crop Yields

Uruguayan agriculture has managed to prosper without any great recourse to modern methods to improve the yield of the land. Mechanization of cultivation and harvesting has progressed quite far for Latin America, but the soil is so good that very little has been done to improve its yield. Now the Government is forced to make a radical reappraisal of the productive possibilities in crop-raising and animal husbandry. It finds that other countries have succeeded in producing yields out of all proportion to Uruguay's, although their soil is neither better nor worse. One difficulty is that Montevideo has proved too strong a magnet for the educated agronomists and an effort will be made to decentralize the government services.

Another neglected quarter to which the Government is now turning is the ocean and river estuary itself. Uruguayans have never been a seafaring people nor will they eat fish to any extent. They are the greatest meat eaters on earth, although they have a considerable coastline. Previous attempts by a government corporation to exploit fish resources have had little success but fresh attempts will be made.

With an eye particularly to conserving foreign exchange, Uruguayans are now turning to the possibility of developing a worthwhile merchant fleet. This, of course, will take time. And since there are no shipbuilding facilities of any importance, a heavy initial drain on foreign exchange would be involved.

To sum up, the Uruguayans have built up a high-cost economy, chiefly since the war. Postwar industrialization has involved the establishment of a number of uneconomic industries justified as a hedge against shortages of foreign manufactured goods in the event of another war, and also as a means of absorbing labour drifting into Montevideo from the countryside. But other solutions must also be sought. The hope now is for more productive labour, particularly on the land —Uruguay's basic resource—aided by more scientific methods. Feeling that this may not prove to be enough, eyes are fixed also speculatively on the neglected sea.

U.S. Car Production

United States plants produced a record 2,376,000 cars and trucks during the first three months of this year, exceeding the best previous first-quarter total, that of 1951, by 20 per cent. This unprecedented output has affected the Detroit area's economy. Every major barometer of business and industrial activity during the first three months of 1955 exceeded the corresponding 1954 figure; all but two exceeded the like figure for 1953. Of the latter, the decline in manufacturing employment was attributed to a sharp reduction in defence work, and the drop in department store sales indicates a change in the way in which money is being spent rather than a decline in total spending.

Payrolls are high—$70 million above any previous first-quarter peak. This is the result of a 9 per cent rise in average weekly earnings of factory workers, which stood at $96.06 throughout the first three months of 1955 as compared with $90.32 in the same quarter of 1954 and $88.31 for the similar quarter in 1953.

Automobile schedules for the second quarter of 1955 are reported to be higher than for any previous three-month period in the history of the industry. From trade reports it appears that, with the sales impetus of the spring season on top of peak first-quarter retail deliveries, it is doubtful that even this new record-high output will be sufficient to attain and maintain the normal dealer inventory of one month's supply of new cars.

A spot report on the automotive industry shows that up to and including the week ending April 2, 1955, a total of 2,848,934 cars and trucks were built; of these, 2,519,305 were cars. This compares with 2,049,062 cars and trucks for the corresponding period of 1954, of which 1,713,143 were motor cars.

Uruguay as a Market

The 1954 figures show imports from Europe and South America up, with bilateral trade agreements shaping the trade pattern. Some imports from Canada find good market but it is difficult to introduce new lines.

W. GIBSON-SMITH, *Commercial Secretary, Montevideo.*

URUGUAY has, particularly since the war, made an effort to industrialize, to give herself a broader-based economy and make her less vulnerable to the relatively violent swings of prices in the world markets for her agricultural products. She has achieved greater self-sufficiency but still depends for foreign exchange on much the same restricted list of raw or partially processed agricultural products, notably wool. Her other commodities are nearly all too high in price for world markets.

Uruguayan Exports

10 months	*US$ millions* 1954	1953	*Difference*
Wool	85	119	−34
Hides	17	19	− 2
Wheat, flax, etc.	10	5	+ 5
Linseed oil	5	6	− 1
Wheat flour	17	6	+11
Other industrialized crops	12	8	+ 4
Beef	38	28	+10
Other meat and meat products	6	11	− 5
Wool, yarn, tops, etc.	32	37	− 5
Others	5	0	+ 5
	227	239	−12

Source: "Suplemento Estadistico" Banco de la Republica, December 1954.

Export Problems

The slow movement of wool during the period reflected largely the unwillingness of many to sell because a more favourable exchange rate was being debated. Later unofficial figures show there is still some carry-over from the previous year's crop. Much of the meat went to Russia (some $16 million in the first eight months) instead of to the United Kingdom. There is actually a shortage of fresh meat in Uruguay itself largely because of a slow-down of the foreign meat packers in protest against government price policies. It is also the result of using land for continued over-production of high-cost subsidized wheat, of which Uruguay has a surplus of about 300 thousand metric tons which she may have difficulty selling to the logical market, Brazil. She also has a surplus of rice and sunflower seed oil. Wool tops were hard to move even with the additional favourable exchange rate.

Canada's imports from Uruguay in 1954 declined drastically, because we bought less canned beef and wool. The Uruguayan figures show Canada as buying only $340 thousand worth of goods in the first ten months of 1954. Canadian import figures for the 12 months, which attempt to give the real source even if the goods are trans-shipped in the United States, showed $1,025,407, down to 30 per cent of the previous year's $2,903,274. The reason for the decline was chiefly high prices and the result was a trade balance distinctly and increasingly unfavourable to Uruguay. This is a fact of some importance locally where the habit is to consider trade relationships bilaterally and to use the granting of import licences as a lever for finding acceptance for Uruguayan exports abroad. However, Uruguay's imports from the dollar area depend on her overall dollar position. There is no exchange discrimination as between Canada and the U.S.

Import Restrictions Continue

Uruguay's imports continued to be drastically restricted in 1954 although there was a slight relaxation compared with 1953, when they reached a four-year low. For the first ten months of 1954 they amounted to $202 million U.S., up from $156 million the year before, but still showing a favourable trade balance of $25 million against $83 million a year previously. These are the latest trade figures but figures for exchange bought and sold by the government bank give a different story. There was a sizable unfavourable balance for exchange transactions, both overall and for trade alone in 1954.

Main Suppliers and Markets

The increase in imports of $46 million was more than accounted for by larger purchases under bilateral trade agreements from Europe (up $47·5 million) and other South American countries (up $9 million). Specifically trade with Great Britain, Brazil and the Netherlands showed important increases. An exception was Argentina; commercial relations with that country are still practically at a standstill. The United States as a

supplier recovered only slightly from the low of the previous year.

Canadian exports to Uruguay declined even further during this period. The figures reflect a non-recurring sale of ships in 1953 and smaller sales of newsprint in 1954.

As the following table shows, sales of other established Canadian products on this market mainly improved.

Canadian Exports to Uruguay

(thousands of dollars)

	1954	*1953*
Seed potatoes	451	392
Newsprint	671	997
Farm machinery and parts	599	532
Aluminum—primary	578	57
Aluminum—semi-fabricated	....	138
Copper wire, bare	3	65
Asbestos milled fibres	230	201
Refrigerators, power, and parts	....	71
Ships	....	350
Other	252	108
	2,784	2,911

Source: Dominion Bureau of Statistics.

Transactions Strictly Controlled

The difficulty is to introduce new lines from Canada because Uruguay continues to maintain extremely complicated export and import controls. These determine minutely the smallest details of import trade. The government agencies decide not only what shall be imported, but by whom and from what countries, at what time and at what rate of exchange. It is hoped that in due course the Uruguayan authorities will simplify these controls. Uruguay can, however, scarcely escape from her bilateral trade commitments in a hurry even if she wants to, since she has agreements with most of Europe and Latin America governing her trade exchange. Most of these involve balancing trade bilaterally and the authorities use their controls to achieve a balance where possible. Since Europe is far and away and increasingly Uruguay's best customer, the prospects for sale of North American merchandise are poor under present commitments. It appears from figures available so far that U.S. purchases from Uruguay in 1954 declined some 37 per cent, which cuts down the amount of dollars available and affects the issuing of import licences for goods from dollar countries.

"Switch" Deals Possible

There is, however, a ray of hope in recent relaxations of "switch" operations. If an established importer can be found who holds a quota entitling him to bring in goods from Europe and he can be persuaded to bring in goods of the same general group from Canada, he can often effect this "switch" quite legally under Uruguayan law, without even consulting sources in Europe. Such "switches" can at present most easily be carried out with quotas ostensibly valid for the United Kingdom, Western Germany, the Netherlands, Belgium, France and Sweden. These operations raise the cost of the goods imported some 2 to 4 per cent depending on the country involved, so there must clearly be a price advantage in favour of the Canadian firm. To explore these possibilities an alert agent is needed.

Imports on Quota

Aside from raw materials for industry and essential goods not produced locally, Uruguay in recent years has been importing very little. The latest yearly quota of imports for all other goods amounted to only some \$17 million U.S. of which only \$3·5 million was applicable to Canada and the United States combined. Even with some upward mental readjustment to include some imports from Canada under "switch" operations, trade possibilities for non-essentials are obviously distinctly limited.

Brazilian Agriculture in 1954

The value of Brazilian agricultural production in 1954 reached 93,359 million cruzeiros, 6,828 million more than in 1953, according to provisional data from the Ministry of Agriculture. Three of the federal units contributed 58 per cent of the total—São Paulo, 29,354 million; Minas Gerais, 14,559 million, and Rio Grande do Sul, 10,545 million. However, because the increase appears to be less than 8 per cent and the currency suffered more than a 20 per cent decrease, the value of production in real terms was less than in 1953.

The total area planted throughout the country increased by 48 per cent from 19·6 to 20·5 million hectares. In São Paulo, the area cultivated in 1954 was larger than in 1953 but smaller than in 1952. In the states of Rio de Janeiro, Para and Amazonas and in the Territory of Acre the area planted decreased visibly. Amazonas, the state with the largest area, cultivated only 18,532 hectares, eight times less than the area cultivated in Sergipe, the smallest state.

The volume of production rose to 78·6 million tons with an increase of four million, or 5·3 per cent, over 1953. The largest contributions were from: São Paulo, 16·9 million tons; Minas Gerais, 10·6; and Pernambuco, 8·7.

French Opportunities for Canadian Goods

French Government recently agreed to admit small quantities of Canadian goods for showing at specified French international fairs and for later sale. Procedure to be followed in taking advantage of this concession is outlined here.

B. C. BUTLER, *Commercial Counsellor, Paris.*

CANADIAN EXPORTERS will now have an opportunity to ship goods in small quantities to France for display in French exhibitions and later sale, as a result of a plan recently announced by the French authorities.

Exchange controls and import restrictions have practically excluded many Canadian products from France in the postwar years. Though the new plan is not to be regarded as a token shipment scheme, it may provide Canadian exporters with a means of renewing contacts in the market, of re-introducing their brands, or of testing the possibilities for new products.

Exporters of products for which French import and exchange licences are at present refused may find this scheme a useful means of conducting long-term though modest sales promotion in the hope that in the future the current import controls may be relaxed. At the moment there is no indication of the probable duration of these controls.

French Agent Needed

The obtaining of import licences will require the services of a French agent or importer who must make arrangements in advance to take space in a French fair. Approval of individual applications for import licences will be related directly to the amount of exhibit space importers devote to the display of Canadian goods. The quantities approved will depend upon the nature of the goods and the amount of space required to display them adequately. For example, a carload of canned goods could hardly be considered a *bona fide* quantity to exhibit at any fair, but one or two large machines occupying the same shipping space would probably be acceptable.

Procedure to Be Followed

The step-by-step procedure is as follows:

- The French agent or importer places an order with a Canadian firm for a quantity of goods to exhibit, giving instructions that they be shipped directly to one of the French fairs where "bonded warehouse" facilities are provided by the French Customs.
- Within ten days after the close of the fair, the agent or importer must file an application for a licence with the Office of the Commercial Counsellor, Canadian Embassy, Paris. This application follows the established form already familiar to the importer. It must be accompanied by a pro forma invoice in duplicate, showing quantities and values, and a certificate from the fair authorities indicating the amount of space occupied by the exhibitor.
- If it is satisfied that the applications relate to Canadian goods and that the other conditions have been met, the Office of the Commercial Counsellor will recommend these applications to the French Ministry of Finance and Economic Affairs. The Ministry will then authorize the issuance of the necessary import licence and exchange permit for payment in dollars.
- The importer will pay the Customs charges, clear the goods from the fair grounds, and dispose of them through the usual commercial channels.

Caution Advised

The authority to pay in dollars is deferred until after the close of the fair and is subject to compliance with the other regulations mentioned. In these circumstances exporters should take care that they accept orders under this procedure only from responsible French importers in whom they have confidence.

French Fairs

At the outset the plan will be operative only for French international fairs at which the French Customs authorities have bonded facilities. These fairs with their 1955 dates are as follows:

Lyon	April	16-25
Lille	April	23-May 8
Paris	May	14-30
Bordeaux	June	12-27
Strasbourg	September	3-18
Marseille	September	17-October 3

The above fairs are held at approximately the same dates each year.

—*continued on page 26*

commodity notes

Chile

ONIONS AND GARLIC—The Ministry of Agriculture reports that the onion and garlic harvest for 1955 is more than satisfactory. After withdrawing reserves to meet domestic supplies, it is estimated that one million cases of onions and 170 thousand cases of garlic will be available for export—Santiago, April 12.

Cuba

COFFEE—For the first time in ten years, Cuba has authorized the export of up to 2·5 million lb. of coffee, although domestic production has been insufficient to meet consumption. An initial shipment of 100 thousand pounds, sold at $50 f.o.b. Havana per 100 pounds, left Havana on March 10 for the New Orleans market. Volume of the 1954-55 crop is estimated at 80 million lb. to meet consumption of some 73 million lb. Hopes are expressed that Cuba may eventually again become a supplier to foreign markets, from which it has so long been absent, and that efforts will be made to increase production to a point that will permit export of 20 million lb.—Havana, April 18.

POTATOES—One indication of this year's bumper Cuban potato crop, the result of favourable weather and diligent inspection of imported seed by Cuban agriculture officials, is the shipment on April 1st from Havana of 2,000 bags of table stock destined for New York and the Canadian market. Cuban growers expect to export about 100 thousand bags this year. —Havana, April 12.

Federation of Rhodesia and Nyasaland

AGRICULTURAL IMPLEMENTS—Increasing quantities of agricultural and transportation equipment are being produced in the Federation. Low steel trailers are manufactured for the country's tobacco growers and maize farmers, special vehicles are constructed for the sugar farmers in Mauritius and in the Union's Province of Natal, and transport trailers are being exported to several countries in Southern Africa as well as to India, Pakistan and Mauritius—Johannesburg, April 7.

TOBACCO—The official estimate of 110 million lb. for the 1954-55 season gives Southern Rhodesia her second largest tobacco crop; the percentage of nondescript tobacco had also fallen considerably. Yield per acre was considered unsatisfactory at 700 lb. (only one-half Canada's 1,400 lb. per acre)—Cape Town, April 7.

Finland

PAPER—Newsprint production, already the largest section of the Finnish paper industry, is now being greatly expanded. New mills almost completed will increase total production, averaging 440 thousand tons, by 200 thousand tons a year. The whole of this increase will be exported. Annual production of kraft paper has been increased by at least 100 thousand tons since the end of the war, the result mainly of the construction of a large kraft paper mill and modernization of the industry in general. Together with the increased production in other qualities of paper, total expansion in paper production is estimated at 400 thousand tons a year—Stockholm, April 15.

WALLBOARD—Finnish production of wallboard in 1954 amounted to 126,775 tons compared with 103,819 tons in 1953, an increase of 32 per cent—Stockholm, April 15.

Greece

SPONGES—The 1954 natural sponge catch totalled 120 metric tons brought in by a Greek fleet of 136 sponge fishing units, most of them using diving suits but some fernez and harpoon. By agreement with the respective countries, the Greek fishing boats in 1954 extended their fishing expeditions to Tripolitanian, Egyptian and Cyrenaican waters. Greek sponges are of fine quality and find a ready market abroad, especially in the United States and Europe—Athens, April 6.

Italy

MERCURY—Mercury exports during the first nine months of 1954 reached the record figure of 1,775 tons, compared with 876 tons for the same period in 1953. The majority of these shipments were made to the United States, with Great Britain second. Research work now being carried out in the Monte Amiata district and the exploitation of new mineral deposits are expected to make possible steadily increasing exports of this metal—Rome, April 18.

Spain

MERCURY—Production of mercury reached the record figure of 1,483·5 tons during 1954, some 1,100 tons of which are for export—Madrid, April 16.

Sweden

IRON ORE—Swedish production of iron ore in 1954 amounted to approximately 15·5 million tons, a decrease of about 1·5 million compared with 1953. Both overseas and domestic consumption were about the same as in 1953—14·5 and 1·8 million tons, respectively. There was, therefore, a large decrease in stocks in 1954, about the same as the increase in stocks in 1953. Demand for Swedish iron ore in 1955 is expected to improve—Stockholm, April 19.

PREFABRICATED WOODEN HOUSES—The number of prefabricated wooden houses constructed in Sweden increased to approximately 9,000 in 1954, compared with 6,000 in 1953. Exports, on the other hand, have decreased considerably—from a value of about 44 million kronor in 1951 to 25 million kronor in 1952, nine million kronor in 1953, and an estimated two million kronor in 1954—Stockholm, April 19.

Turkey

TRACTORS—Tractors assembled locally of parts imported from the United States are now said to be on sale in Turkey. The assembly plant is a joint U.S.-Turkish enterprise established under the recent foreign capital investment law. Reports are that 1,000 tractors will be assembled during 1955, with a possible increase to 2,500 in 1956 when it is planned to manufacture certain parts at the new plant. At present, however, only the most elementary stage of assembly, such as bolting wheels to axles, is being done—Athens, April 9.

United Kingdom

DETERGENTS—About 40 per cent of all soaps and detergents used in the United Kingdom are now synthetic products. In 1954, these products accounted for 205 thousand tons out of a total of just over 500 thousand tons of soaps and detergents consumed in the United Kingdom. This compares with a proportion of about one-third in 1953 and under one-quarter in 1952. Exports of synthetic detergents in 1954 totalled over 30,000 tons valued at almost £4 million, compared with 18,000 tons with a value of £2·5 million in 1953—London, April 25.

United States

AGRICULTURAL MACHINERY—The Ford Motor Company is making every effort to take over the leadership of the farm machinery business in the United States. The addition to the Ford line of three new tricycle tractors in April brought to eight the total of new tractors introduced by the company since January. Companion pieces of farm equipment to go with the tractors were introduced at the same time.

In its drive to capture first place in the agricultural machinery business, Ford is reported to have produced 25 per cent of the nation's tractors in January alone, since it has gone on an overtime basis to meet the growing orders that its re-organized tractor and farm implement sales divisions are submitting to the factory—Detroit, April 25.

FURNITURE—A furniture industry report from Grand Rapids, Michigan, shows that during the first two months of the year the rise in production which began in the last two months of 1954 has continued. In January and February of this year new orders were 14 per cent ahead of the same period last year —Detroit, April 25.

TELEVISION RECEIVERS, RADIO SETS—According to the Radio-Electronics-Television Manufacturers Association, 654,582 television receivers and 1,068,146 radio sets were manufactured in the United States in January 1955. Production in January 1954 was 420,571 television receivers and 871,981 radio sets. Types of radio sets and number of units manufactured in January were: home sets, 280,121; clock, 166,885; portable, 47,303; auto, 573,837—Washington, April 22.

Venezuela

RUBBER TIRE PRODUCTION—In March, Firestone opened a new factory to produce tires, tubes, camelback and, in the near future, tubeless tires; production by this firm will increase from 600 to 750 tires a day. Goodyear has announced the construction of a new tire and tube factory with a capacity of 500 tires a day—Caracas, April 12.

Rio Grande
the rice grower

Brazil's most southerly state is making great strides as a food producer, with rice well in the lead and wheat becoming important. This agricultural prosperity means opportunities for Canada.

M. P. CARSON, *Consul and Trade Commissioner, São Paulo.*

THE "GAUCHO" STATE of Rio Grande do Sul—the farthest south of all the Brazilian states—has the most varied production in all Brazil. In fact, it holds the key to the supply of a large percentage of the nation's growing food requirements, provides a surplus for export, and contains substantial agricultural reserves.

With some 4·5 million inhabitants (estimate of August 1, 1953) the state differs somewhat from the others in the union. Rio Grande's population is well dispersed and many thriving communities are the rule rather than one or two great cities. Perhaps this is the result of its wide variety of production. In any case, it is considered a good omen for future growth and economic well-being by many of bustling Porto Alegre's business community.

Rice—a Staple Food

The staple Brazilian diet consists of rice and beans. In 1953 the apparent consumption of rice in Brazil reached 3·15 million metric tons. Rio Grande do Sul has ideal land and growing conditions for both and rice has become one of its most important agricultural products. In the next crop year (April 1-March 31), the Chief Agronomist of the Instituto Rio Grandense do Arroz estimates that Rio Grande do Sul will reverse its former position vis-à-vis São Paulo and will become the largest producer in Brazil. His estimates indicate a harvest of 3·15 million metric tons for all Brazil, with Rio Grande do Sul taking the lead with 813 thousand metric tons. São Paulo, which has diversified its production considerably in recent years, will produce an estimated 550 thousand metric tons and Minas Gerais, another large agricultural producer, will harvest some 620 thousand metric tons.

Rice Exports Banned

Rio Grande do Sul, with its relatively small population, does not consume all the rice it grows and has consistently exported very large quantities in terms of total Brazilian shipments. In 1952, for example, of 162·3 thousand metric tons of rice exported to foreign destinations, Rio Grande shipped 145·6 thousand. This has been the pattern through the years although for the 1954-55 crop year the Federal Government banned exports of rice. Serious domestic rice shortages have occurred in the past and the federal authorities, through the price control commission, (COFAP) were making sure that such a situation did not arise again. The Rice Institute officials felt that exports should be permitted and recently the Government announced that up to one million bags would be sold abroad, through COFAP. Interested buyers were requested to make offers f.o.b. Porto Alegre to the COFAP director

Brazilian Rice Production

(in metric tons)

Crop Year	*Total Brazil*	*Rio Grande do Sul*	*São Paulo*	*Minas Gerais*
1944-1945	2,162,471	389,130	677,934	450,695
1945-1946	2,751,689	626,832	949,155	517,637
1946-1947	2,586,929	566,598	856,495	506,784
1947-1948	2,549,399	515,462	832,650	532,121
1948-1949	2,720,159	547,762	781,899	503,146
1949-1950	3,217,690	585,027	992,772	693,327
1950-1951	3,237,051	589,998	1,024,163	672,268
1951-1952	3,032,821	549,000	883,650	610,961
1952-1953	3,160,740	740,734	....	....
1953-1954	3,150,000	775,000	941,430	554,205

Source: Instituto Rio-Grandense do Arroz.

Brazil's Rice Exports 1945-1953

(in metric tons)

Year	*Total Brazil*	*Rio Grande do Sul*
1945	86,358	75,792
1946	152,051	131,648
1947	218,423	102,972
1948	212,643	181,391
1949	991	....
1950	80,305	55,164
1951	118,121	86,227
1952	162,268	145,567
1953	2,787	0
Est. 1954	0	0

Source: Instituto Rio-Grandense do Arroz.

at Rio de Janeiro. Canada in recent years has been a factor in Brazil's exports, buying 80,000 sacks of 60 kilos in 1950, 25,000 in 1951 and 20,000 in 1952. Canadian importers have been consistently interested in Brazilian rice but the demand has not been satisfied.

Naturally Brazil's huge domestic market takes the lion's share of Rio Grande's rice; the figures for 1948-1952 give the picture:

Rio Grande do Sul's National Supplies

(in thousand sacks of 60 kilos)

	1952	*1951*	*1950*	*1949*	*1948*
Shipments to other states	4,760	2,296	2,626	3,709	3,635
Exports abroad	2,426	1,437	919	....	3,023
Total shipped	7,186	3,733	3,545	3,709	6,658

Source: Instituto Rio-Grandense do Arroz.

In the 1953-54 crop year, an estimated 153,814 quadras (or 662,233 acres) were under rice cultivation. Rio Grande do Sul continues to be a first-rank supplier of Brazil's staple food.

Wheat Production

This state also has become important in the nation's wheat production. Brazil imports large quantities of wheat and this state has great potentialities for reducing the country's reliance on foreign suppliers. But lack of both mechanization and transportation make it a difficult problem. However, each year sees an increase in acreage and in production.

Brazilian Wheat Production 1945-1953

(in metric tons)

	Total Brazil	*Rio Grande do Sul*
1945	233,298	179,051
1946	212,514	168,088
1947	359,363	259,067
1948	405,135	286,728
1949	437,506	287,725
1950	532,351	375,757
1951	423,646	310,756
1952	689,500	503,689
1953	821,277	606,550

Source: Ministerio de Agricultura.

Wheat accounted for about 10 per cent of the state's agricultural production by volume in 1953 and about 20 per cent by value. Rice equalled 12·2 per cent of production by volume and 24·4 per cent by value.

Other Agriculture Varied

Rio Grande do Sul, with its wide variety of climate, has adapted its production to almost all types of crops. It has become one of the main suppliers to the rest of Brazil. The following table gives some idea of the main products for 1953-54:

Product	*Production (metric tons) 1953-54*
Corn	1,295,600
Sweet potatoes	180,554
Potatoes	251,149
Beans	134,189
Cane sugar	786,058
Soya beans	103,870
Peanuts	7,615
Tobacco	48,095

Source: Secretariat of Agriculture, Rio Grande do Sul.

In relation to total area, cultivated corn takes first place in the state's products and is the preferred feed for the large pork population. The 1953-54 crop was the largest in history and less land was used to produce it than in the previous year.

Rio Grande strikes another "first" in tobacco production, with 48,095 metric tons compared with Bahia's 24,000, Santa Catarina's 18,000 and Minas Gerais' 16,000 metric tons. Although there is production capacity in the state for tobacco end products, much more than 70 per cent is normally shipped in raw form, principally to other parts of Brazil but also to foreign countries.

The state also leads in production of potatoes—251,149 tons compared with total for Brazil of 742 thousand tons. Sweet potatoes—180,554 metric tons in 1953—ran second only to Santa Catarina.

Allied with Rio Grande's agricultural production is a large meat-raising and packing industry.

Large Market Potential

The transportation and power situations in Rio Grande do Sul, as for Brazil as a whole, are most important in future development plans. But use of fertilizers and the mechanization of its agriculture are also vital factors. There is also a large potential for consumer goods, chemicals, pharmaceuticals and almost all materials for use in a thriving community. The present limitations are well known but Canadians should keep in close touch with the Brazilian picture and be ready to move if and when there is a change for the better.

The large modern city of Porto Alegre, with its 400 thousand people, is well situated to handle distribution throughout the entire state. There is a large port development program under way but only small ships of 5,000 to 6,000 tons and with less than 15½ foot draft can navigate up from the ocean port of Rio Grande. Already in the area surrounding the reclaimed land for port improvement new industries are moving in.

The city itself has innumerable large firms of importers, agents and representatives who are eager to look into the possibilities of trade with Canada. Many are apprehensive at the moment but there is an air of optimism and faith in the future which is encouraging. ●

Marketing India's Mica

Indian mica industry, which supplies about 75 per cent of world needs, faces difficult problems with fall in overseas demand—but is taking action to solve them.

W. P. BIRMINGHAM, *Assistant Trade Commissioner, Bombay.*

INDIA has, for many years, enjoyed a pre-eminent position in international mica markets, supplying about 75 per cent of world requirements. Practically all the Indian mica produced, in fact, is exported. However, overseas demand for the Indian product has declined notably since 1952, for the following reasons:

- The release by the United States of stockpile material to commercial firms.
- Growing competition from Brazil, where mines are being developed by U.S. capital, and from Madagascar.
- High ocean freight rates.
- Increasing use of micanite, produced abroad by pulverizing scrap mica.

This decline in export markets has meant a serious recession in the Indian mica industry. One-third of the 600 mines in Bihar have been closed, leaving nearly 50,000 persons out of work. Until the domestic electrical equipment industry expands considerably, or until new uses for mica are discovered, the prosperity of the mica producers will depend on their sales abroad.

Production and Exports

India's mining of sheet mica is concentrated in the state of Bihar (which produces 50 per cent of the national total) and in Andhra. Approximately 75 per cent of the mica in the Bihar belt is obtained from underground mines up to 500 feet in depth, 14 of which supply about 30 per cent of the total. The remainder is produced from surface workings extending to 200 feet in depth. Books of mica varying from a few cubic inches to blocks of 200 to 300 square inches and a foot or more in thickness are separated from the rock and sent for cutting and sorting. This mica is graded according to size, clearness, hardness, flatness, colour, air inclusions, mineral and other stains. The graded material is exported in block or waste form and may also be processed into splittings, wrappers, condenser films, plates, washers and discs. Bihar's ruby mica is reported to be the best quality for electrical purposes because of its large size and the perfection of the crystal plates.

Indian exports of mica, which rose to a peak of 20,400 long tons valued at Rs.132 million* in 1951-52, have since fallen sharply as a result of a decline in demand from the United States and the United Kingdom, the two leading consumers. Total exports for the fiscal year 1953-54† reached 17,540 long tons valued at Rs.79 million. For the first six months of the current fiscal year, the United States and the United Kingdom imported 8,400 long tons valued at Rs.32 million which, although greater in volume than the comparable period of the previous year, reflected a considerable reduction in value. Other important customers are Japan, West Germany, France, Italy and the Netherlands. The most serious contraction in exports was in mica splittings, although shipments of mica scrap and waste have also dropped. Since 1949, Canada has imported an average of 35 per cent of her mica direct from India—shipments from the United States, which consist in large part of Indian mica, averaged 60 per cent of the total. However, imports of this mineral from India during the first eleven months of last year have been negligible.

Prices Have Declined

Prices of all grades of Indian mica have shown a steady down-trend over the past year, reflecting in part the notable decline in demand from foreign markets. The mid-December quotation f.o.b. Calcutta for No. 4 grade pale green clear, first quality, dusted loose mica splittings was Rs.12 per pound, approximately seven per cent lower than the comparable figure of a year before.

Solving Industry's Problems

The bulk of mica exports originates with a few large and well-established producers, whose operations are today almost fully mechanized. To place the entire industry on a sounder footing, the Government is encouraging the smaller Bihar producers to organize co-operatives, possibly with short-term financial aid. Under this arrangement, it is held that the small mine-owners will benefit from the expert advice of technical personnel, the elimination of middlemen, and the use

* One rupee equals approximately 20·8 cents Canadian.
† Fiscal year runs from April 1 to March 31.

of up-to-date machinery. Intensive research aimed at discovering new uses for mica and the implementation of programs for the establishment of indigenous mica-consuming industries are other recommendations put forward.

The Government of Bihar has already provided electric power to one important mining area. Another measure is the planned construction by a private firm of a micanite factory for the processing of scrap or waste mica. All these represent initial efforts towards reducing production costs through modernizing operations and increasing internal consumption by the development of domestic processing industries. If they are accompanied by positive steps to improve the quality of the exported product and to introduce scientific marketing methods, the prosperity of the mica industry in India should be assured.

LIBYA: the Business Picture

Treaties with the United Kingdom and the United States have helped the economy of the young state, which still has many problems to overcome. Average income of the population is low and trade opportunities few.

W. R. VAN, *Assistant Commercial Secretary, Rome.*

THE UNITED KINGDOM OF LIBYA is now in its fifth year as an independent state. The Kingdom's three provinces—Cyrenaica, Tripolitania and Fezzan—were all formerly Italian colonies. Bounded on the east by Egypt, on the west by Tunisia and Algeria and on the south by French Equatorial Africa and French West Africa, Libya covers an area of about 649 thousand square miles, but most of its over one million population lives on a narrow strip of land along the Mediterranean coast. The population includes also some 60,000 Europeans, mostly Italian, and several thousand Maltese. Although it is the smallest of the provinces, Tripolitania (over 100 thousand square miles) claims approximately three-quarters of the population; Cyrenaica (approximately 330 thousand square miles) is second with a little over 300 thousand persons, and Fezzan, whose 213 thousand square miles are almost entirely desert, has a population of only 50,000. Tripoli and Benghazi are the main centres for external trade.

The Economy in 1953

The most complete information available on finance and trade covers the year 1953. The outstanding event in that year was the ratification of the Treaty of Friendship and Alliance with the United Kingdom. It has given a needed stimulant to the young nation's economy. The Treaty includes military and financial agreements and provides for an annual payment by the United Kingdom for the five fiscal years beginning April 1, 1953, of £1 million to Libyan development organizations and £2·75 million towards the Libyan budget. At the end of the five years, future allocations will be considered after the use of these grants has been reviewed.

The 1953-54 budget approved by the Libyan Parliament estimated an expenditure of Libyan £4,788,880,* to be shared by the Federal and provincial governments. Total estimated revenue was Libyan £6,019,000.

Composition of Imports

Libya's major imports consist of essential foodstuffs, (including wheat, sugar and tea) and fuel for transportation and the production of electric power and gas. It seems unlikely that the Kingdom can become self-sufficient in essential foodstuffs in the foreseeable future. The climate, the terrain, the varying rainfall and the steady encroachment of the desert on the arable land combine to make the prospects poor. All consumer goods of the intermediate and higher qualities and all machinery and equipment must be imported. There is no domestic industry other than small local or home industries which provide for the simple needs of the vast majority. Unfortunately, it must still be pointed out to the energetic salesman from abroad that, apart from the lack of foreign exchange, the fact that most of the people live on a subsistence level

* The Libyan pound is equivalent in value to the English pound.

restricts imports to the barest essentials. Recently, it was estimated that the average annual income in cost or kind for the whole population is under £20 a head.

Exports Vary in Volume

Libya exports mainly agricultural and pastoral products. These vary greatly in volume from year to year, depending on rainfall. Staple exports are barley, esparto grass, olive oil, and cattle and sheep. The production from the short seasonal run of tuna and sardines is largely exported. Most of these exports are absorbed by the Mediterranean countries; the United Kingdom is a principal buyer of barley and esparto grass which is used to manufacture high-quality paper and bank notes.

The latest statistics available on Libyan imports and exports are for the first eight months of 1953 and are compared below with those for the same period of 1952:

	January-August	
	1952	*1953*
Imports	L£5,719,800	L£7,081,817
Exports	L£1,549,300	L£ 941,842

Trade with Canada

Principal imports from Canada are wheat and, to a lesser extent, flour; some rudimentary farm equipment of little value is also bought. The figures (DBS) for the past three years are as follows: 1952, Can.$853,825; 1953, Can.$1,278,559; 1954, Can. $840,441. Canada does not import anything from Libya.

In an attempt to reduce prices by encouraging competition, the Government introduced an extensive open general licence scheme in the latter part of 1952. While this move did lead to a fall in prices, at the same time it left the market in general in a rather sluggish condition. A decrease in purchasing power brought about by the rising cost of living of the previous year, together with losses sustained by agricultural communities from crop failures, left merchants (especially those dealing in textiles) heavily overstocked. They were, however, able to resist price reductions and there was no decline of note, except that resulting from lower import prices.

Agreement with U.S

Libya has also signed a treaty with the United States, similar in nature to the Anglo-Libyan Military Agreement. Under it, the United States enjoys the use of certain air bases in Libya and in return makes a yearly cash payment and gives other economic assistance in kind. According to informed sources, the United States is committed to the provision of US$43 million over a period of 17 years, from 1954 to 1971. Five million of this was paid during 1954, subsequent payments are expected to be $4 million a year until the end of 1960 and $1 million a year till 1971. In addition, the U.S. is providing economic aid amounting to $3 million for agreed projects during the present year.

Dollar Imports Permitted

As a consequence of dollars accruing under this agreement, Libya now permits import from the dollar area of essential goods which are priced lower than similar products of non-dollar countries. The provincial authorities are competent to grant licences for such dollar imports. Goods imported into Libya against payment in dollars may not be re-exported. Requests to buy the following goods from the dollar area will be favourably considered: agricultural and industrial equipment and seed; essential foodstuffs; medicines and drugs; essential household appliances, including refrigerators, sewing machines, etc.; commercial vehicles; spare parts for automobiles; spare parts for other machines; used clothes; construction equipment; books, magazines and periodicals.

French Opportunities for Canadian Goods

continued from page 19

Because the initiative in arranging for exhibit space and in taking the other action described above rests with the French importer or agent, interested Canadian firms should confer with their French connections and study the extent to which they may use this plan. Exporters with no connections may wish to take advantage of it to interest French firms in their agency with long-term possibilities in mind.

Algeria, Tunisia and Morocco

It is hoped that a somewhat similar procedure will be worked out for the fairs at Algiers and Oran, in Algeria; Tunis, in Tunisia, and Casablanca in Morocco. This matter is under consideration and any further developments will be reported in a later issue of *Foreign Trade*.

Inquiries should be addressed to the Commercial Counsellor, Canadian Embassy, 3 rue Scribe, Paris 9, France. ●

General notes

Brazil

URANIUM PLANT PROJECTED—The press reports that plans are under way for the construction this year of a uranium plant at Pocos de Caldas in the State of Minas Gerais. More than Cr.$100 million will be invested in the project and over 800 persons employed. This will be a pioneer plant for the use of atomic energy in Brazil—São Paulo, April 14.

FARM MECHANIZATION—Although Brazil has taken energetic steps to mechanize its agricultural activities in the last ten years, statistics show that less than 2 per cent of the nation's farmers use tractors in farm production. According to these figures, the State of São Paulo possesses only 9,000 tractors for 221,810 farming establishments, and the State of Minas Gerais only 2,400 for 265,497 establishments—São Paulo, April 14.

FERTILIZER PLANT—Within one year the State of São Paulo hopes to have a nitrogenous fertilizer plant functioning at Cubatao, near Santos, under the jurisdiction of the National Petroleum Authority (Petrobras). It is proposed that the new plant will yield 350 tons of fertilizers a day with a nitrogen content of 20·5 per cent. The president of Petrobras has signed a contract with a construction firm to begin this plant which will use as raw materials residual gases of the Cubatao refinery—São Paulo, April 14.

Chile

TRACTOR FACTORY—The local press has announced that representatives of the FIAT automobile company are studying the possibilities of installing a factory in Chile to make tractors. It appears that the FIAT people were favourably impressed with the quality of the materials produced by the national steel mill at Huachipato. If the proposition is finally approved, the capital will be subscribed jointly by FIAT of Italy and the Chilean Development Corporation, the former supplying the machinery and technical aid—Santiago, April 12.

RATE OF INTEREST ON ADVANCES—The Chilean Government has ruled that the maximum rate of interest to be charged by all banks in the country for the first half of 1955 will be 16·09 per cent (including commission and miscellaneous expenses). The average rate of interest charged by banks during the second half of 1954 was 13·4 per cent—Santiago, April 12.

COMMERCIAL AGREEMENT WITH GERMANY—A local press report announced that the Chilean Ambassador in West Germany has confirmed by cable to the Chilean External Affairs Department that the Government of Bonn has agreed to extend the March 31, 1955, expiry date of the commercial agreement between Chile and Germany to December 31, 1955—Santiago, April 14.

Guatemala

POWDERED MILK FACTORY—Guatemala's first powdered milk factory is being built in the Department of Jutiapa near the Salvadorean border. A joint endeavour of the Guatemalan Government and UNICEF, the plant will cost nearly $500 thousand. Under the agreement, the United Nations agency is contributing equipment and technical assistance to a value of $250 thousand, and Guatemala is providing the remainder, consisting of land and buildings. The expected initial output of 8,000 lb. of milk powder daily will take care of UNICEF's contribution to the nourishment of 60,000 Guatemalan children—Guatemala City, April 12.

India

FERTILIZER FACTORIES—The Government is examining the claims of several states in connection with their decision to set up new fertilizer factories. One of the additional factories will be at Nangal in Punjab, where it will be associated with the project for processing heavy water for atomic research. The capacity at Nangal will be fixed at 350 thousand tons, as at Sindri. Also being considered is a fertilizer plant at South Arcot district in Madras as part of the integrated multi-purpose lignite project. Rajasthan, industrially India's most backward region, has submitted a scheme for a factory at Hanumangarh, close to extensive gypsum and lignite deposits —New Delhi, April 19.

QUALITY CONTROL OF WOOL EXPORTS—Five stations to test wool destined for export from India were opened recently by the Union Ministry of Food and Agriculture. At the stations in Rajkot, Bikaner, Delhi and Faxilkha, and at the central testing labora-

tory in Bombay State, trained workers examine samples of wool to ensure that they meet prescribed standards of quality. Each bale certified as fit for export will now bear the "AGMARK" label—Bombay, April 9.

Italy

SYNCOTRONE LABORATORY—A syncotrone laboratory, the second largest in the world (the largest is in the United States), is being built in an area of some 30,000 square metres near Rome under the direction of the Italian Institute for Atomic Energy. Total expenditures involved are estimated at 1,250 million lire; all electrical and electronic parts are to be manufactured by one Italian firm—Rome, April 18.

AGRICULTURAL MECHANIZATION—The number of agricultural tractors in Italy increased last year by 30,000 units to a total of 150 thousand. This advance is expected to continue at about the same rate during the next several years with developments in agricultural mechanization in this country under government and private sponsorship—Rome, April 18.

South Africa

SECONDARY INDUSTRY—The output of physical goods by secondary industries of the Union has more than trebled in the 14-year period to 1953, and the general index of production (which embraces industry, gold mining, transport, building and agricultural activity) stood at mid-year 1953 at 250 per cent of the 1938 figure. According to the Standard Bank of South Africa, production of industrial minerals—coal, iron, chrome, manganese ores, tin, asbestos, copper and platinum—has increased by 260 per cent. Agricultural and pastoral products have fluctuated considerably in value during the period but on balance have shown a steady increase. Gold production and diamond sales have not expanded as rapidly but the index for power and transport, reflecting growth in the industrial sectors of the Union's economy, has risen from the 1938 base of 1,000 to 2,708.

The latest estimate of the national income of the Union for 1953 was £1,253·3 million, compared with £1,153 million in 1951-52 and £1,133·1 million in 1950-1951—Johannesburg, April 15.

United Kingdom

SCOTTISH POWER EXPANSION—Plans have been announced for the further expansion of the Tummel Valley hydro-power system, the largest in Britain. By the construction of two new generating stations and the diversion of additional waters to existing reservoirs, it is proposed to increase the annual output of 600 million units by 32·7 million units. One of these stations will be built on the eastern shore of Loch Ericht in Perthshire; the site of the second will be on the Allt Cuaich in Glen Truim in Inverness-shire—London, April 25.

GOLD AND DOLLAR RESERVES—At the end of March, the gold and dollar reserves of the sterling area stood at $2,667 million, a decline of $14 million from the previous month. This was considerably less than the fall of $82 million in February and reflects the fiscal measures recently taken by the British Government.

During March, the United Kingdom received $21 million in United States defence aid and $3 million in respect of the February surplus with the European Payments Union. To offset this debt, payments of $2 million were made to European countries and $8 million to Canada. Taking these transactions into account, the real balance of the sterling area in March was a deficit of $28 million, compared with a deficit of $101 million in February—London, April 25.

ARGENTINE TRADE AGREEMENT—As part of a new agreement signed on March 31st, Argentina has agreed to begin paying off arrears of financial remittances which have been held up since 1952 and which total between £7 and £8 million. About £1·5 million is to be paid between now and June 30, 1956, the period covered by the new agreement. In addition, Argentina has undertaken to meet payments due to sterling area holders of the Province of Buenos Aires Loan, 1910, by July 31st of this year. The volume of trade envisaged under the agreement amounts to £84·7 million each way. Imports into Argentina will consist of £16·7 million worth of sterling area commodities, £32·5 million of petroleum products from sterling area companies and £35·5 million to cover exports from the United Kingdom during the 18 months of the agreement—London, April 22.

INDUSTRIAL PRODUCTION—Industrial production so far this year has been estimated to be about 5 per cent higher than the level of the first three months of last year. Further advances in output in metal and metal-using industries, in chemicals, paper, public utilities and in the building industry can be expected, but the outlook for coal production, textiles, footwear and other non-metal consumer goods is less encouraging.

As an example of the production records which are being set in the United Kingdom, steel production in March was at a weekly average rate of 394,900 tons, compared with 364,800 tons in March 1954. Over the whole of 1955, it is expected that steel production at 19·5 million tons will be a million tons higher than last year—London, April 22.

Banking Abroad

PORTUGAL and the Portuguese Empire

L. M. COSGRAVE, *Commercial Counsellor, Lisbon.*

BANKING SERVICES, including those related to foreign trade, are provided in Portugal and its overseas territories by a number of institutions. They include state-controlled banks, commercial banks operating a number of branches, private single-unit banks, and branches of foreign banks.

The three state-controlled issuing banks cover among them the entire Portuguese Empire. The Banco de Portugal (Capital Esc. 100,000,000$, Reserve Fund Esc. 100,351,000$) operates in continental Portugal, Madeira and the Azores; the Banco de Angola (Capital Esc. 100,000,000$, Reserves Esc. 97,886,000$) in Angola, and the Banco National Ultramarino (National Overseas Bank) with a Capital of Esc. 150,000,000$ and a Reserve Fund of Esc. 240,000,000$, in the other overseas provinces. They perform the usual functions of a central bank, including that of fiduciary issue, and also act as commercial bankers. Each is widely represented throughout its territory by numerous branches and agents, and has its head office in Lisbon.

Privately Owned Banks

The following are the important privately-operated commercial banks:

Banco Fonsecas Santo e Viana
Capital and Reserve Fund: Esc. 300,000,000$
Head office in Lisbon; agents in several localities.

Banco Esprito Santo e Comercial de Lisboa
Capital: Esc. 200,000,000$
Reserve Fund: Esc. 78,000,000$
Head office and branches in Lisbon, with branches and agents in several other centres.

Banco Lisboa e Acores
Capital and Reserve Fund: Esc. 121,000,000$
Head office in Lisbon and agents in several localities.

Banco Borges & Irmao
Capital and Reserve Fund: Esc. 100,500,000$
Head office in Oporto, branch in Lisbon, agents in other towns.

Banco Português do Atlantico
Capital: Esc. 50,000,000$
Reserve Fund: Esc. 23,000,000$
Head office and several branches in Lisbon, branches and agents in other important centres of metropolitan Portugal and the Azores.

Banco Pinto & Sotto Mayor
Capital and Reserve Fund: Esc. 62,500,000$
Head office in Lisbon, branches or agents in other localities.

Banco Burnay
Capital: Esc. 32,000,000$
Reserve Fund: Esc. 23,000,000$
Head office in Lisbon, agents in other localities.

Banco Alianca
Capital: Esc. 20,000,000$
Reserve Fund: Esc. 16,000,000$
Head office in Oporto, agents in several centres.

Banco Ferreira Alves e Pinto Leite
Capital: Esc. 30,000,000$
Reserve Fund: Esc. 5,579,000$
Head office in Oporto, branch in Lisbon, agents in other localities.

Banco de Agricultura
Capital: Esc. 11,250,000$
Reserve Fund: Esc. 547,000$
Head office in Lisbon, no branches but agents in other centres.

Foreign Banks

Two foreign banks also operate in Portugal, both with branches in Lisbon and Oporto and agents in other cities. They are the Bank of London and South America, Lda., and Credit Franco-Portugais, the latter a subsidiary of Credit Lyonnais of Paris.

In addition to the institutions mentioned above, there are a large number of smaller local banks which cater largely to the banking needs of their immediate communities but also handle a certain amount of foreign business. The bulk of foreign transactions are handled by the larger banks; they are well organized for the purpose and maintain foreign exchange and bill discounting and collection departments.

As was indicated above foreign banks do not have extensive branch representation in Portugal. The activities of Portuguese banks in other countries are also limited. The Banco Nacional Ultramarino, however, has subsidiaries operating in London, Paris and several Brazilian cities, and every large bank in Portugal has a correspondent in nearly every capital of the free world.

From this survey Portugal's banking structure may appear to be somewhat less clear-cut than Canada's system of branch banking. Actually, though, the Portuguese system possesses a high degree of homogeneity. An inspection unit of the Ministry of Finance supervises all banking agencies to ensure that all transactions are in accordance with the principles of safe banking. It makes periodic examinations of bank records and publishes a monthly balance sheet of each bank in the official gazette.

trade commissioners on tour

FROM TIME TO TIME Canadian Trade Commissioners return to Canada to bring themselves up-to-date on conditions here and to renew their contacts with businessmen. Details of their itineraries appear under this heading, as a service to exporters and importers who wish to discuss trading problems with them.

J. L. MUTTER, Commercial Counsellor in Oslo, Norway, began his Canadian tour in Vancouver, May 11-13. His itinerary is:

Edmonton—May 16
Regina—May 18
Winnipeg—May 20
Granby: Sherbrooke—May 27
Quebec—May 30
Montreal—June 1-7
Toronto—June 13-22
Ottawa—June 23-30
Hamilton—July 4
St. Catharines: Welland: Niagara Falls—July 5-6
Sarnia: Walkerville—July 7-8

S. G. MacDONALD, Commercial Counsellor in Rome, Italy, bègan his Canadian tour in Ottawa on April 25th. His itinerary is:

Fredericton—May 16
Saint John—May 17
Charlottetown—May 18
Halifax—May 20
St. John's—May 24
Cornwall: Brockville—May 30
Kingston—May 31
Deseronto: Batawa: Peterborough—June 1
Toronto—June 6-10
Winnipeg—June 20-21

Businessmen in the various centres may get in touch with these officers through the following organizations:

Board of Trade—Charlottetown, Cornwall, Granby, Halifax, Montreal, Saint John.

Chamber of Commerce—Brockville, Deseronto, Hamilton, Kingston, Niagara Falls, Peterborough, Sarnia, St. Catharines, Sherbrooke, Quebec, Regina, Welland.

Canadian Manufacturers Association—Edmonton, Toronto, Winnipeg.

Department of Trade and Commerce—Ottawa, St. John's (Stott Bldg.), Vancouver (355 Burrard Street).

Department of Industry and Development—Fredericton.

Iraq Imports Dollar Goods

List of permitted imports into Iraq from dollar countries has been enlarged this year; importers now allowed to pay for Canadian goods in U.S. dollars.

G. F. G. HUGHES, *Commercial Counsellor, Beirut.*

THOUGH IRAQI IMPORTS of all goods from hard currency countries are subject to licence, the list of allowable imports for hard currency payment for the year 1955 is a comprehensive one. Perusal of the list which appears below will illustrate that, for practical purposes, a Canadian exporter need not worry that his efforts to export to Iraq will be greatly frustrated by import and currency restrictions.

Import licensing authorities can exercise discriminatory powers to regulate the expenditure of hard currency exchange as applied to the total list or to any item or group of items. However, it has been found in practice the past year that the competition provided by soft currency sources of supply affords an adequate block to the over-spending of dollars.

U.S. Dollar May Be Used

Formerly imports from Canada had to be paid for in Canadian dollars following a long-standing regulation that imports were to be paid for in the currency of the country of origin. This feature involved trouble and delay for the Iraqi importer who could not easily obtain a current quotation for the Canadian dollar. In recent weeks this difficulty has been overcome and the National Bank of Iraq has issued instructions to all commercial banks allowing the remittance of U.S. or Canadian dollars.

Though this simplifies the procedure for the Iraqi importer and allows him to calculate his costs more accurately, it is important for the Canadian exporter to appreciate the necessity of giving firm quotations in U.S. dollars. This change brings Iraq into line with all other countries of the Middle East where the Canadian dollar is not used as a medium of international exchange.

Permitted Dollar Imports

1. *Cloth, clothing and dyes*
   - Cotton piece goods
   - Second-hand clothing
   - Dyes for clothing

2. *Construction materials*
   - Iron joists
   - Iron bars (all kinds)
   - Iron angles, channels, T's, etc.
   - Timber (all kinds) including plywood
   - Glass (window and other)
   - Paints and distemper
   - Iron plates
   - Metal sheets
   - Water supply material (pipes, taps, etc.)
   - Window wire netting
   - Fittings and mountings (hinges, locks, etc.)
   - Nails and screws (carpentry)
   - Cement

3. *Automobiles, accessories, tools, etc.*
   - Touring cars
   - Lorries, pick-ups and buses
   - Auto spare parts and accessories
   - Tires and tubes
   - Garage equipment
   - Hand tools and instruments
   - Batteries (for cars and others)
   - Lubricating oils and grease (high grade)
   - Lubricating oils and grease (low grade)
   - Brake oil
   - Auto paints

4. *Machinery and accessories*
   - Industrial machinery and accessories
   - Agricultural machinery and accessories
   - Printing presses and accessories
   - Excavating machinery and accessories
   - Belting for machinery, with clips and hooks
   - Sewing machines and accessories
   - Gum resin for belting, etc.

5. *Medical and sanitary materials and instruments*
   - Drugs, medicines and pharmaceuticals
   - Penicillin and other antibiotic preparations
   - Insecticides, disinfectants, etc.
   - Human blood plasma
   - Medical and surgical instruments
   - Dental instruments and materials
   - Optical and sun glasses and accessories
   - Milk powder and food for babies
   - Laboratory materials and apparatus

6. *Electric articles*
   - Household electric appliances (heaters, irons, roasters, etc.)
   - Constructional electric appliances and materials

Electric fans
Air conditioners, coolers and accessories
Refrigerators and accessories
Radios, parts and valves; radiograms
Cinematograph films (exposed)
Cinematograph films (unexposed)
Cinema projectors and accessories
Carbon for cinema projectors
Sound registering machines and accessories
Earphones
Photography apparatus and X-ray films

7. *Household articles*
Oil heating stoves and accessories
Oil cooking stoves, ovens, parts and accessories
Oil lamps, hurricane lamps, Lux lamps, parts and accessories
Funnels for lamps of all kinds

8. *Glassware and crockery*
Glassware and crockery of all kinds

9. *Stationery, books, periodicals, paper and cardboard*
Typewriters, spare parts and accessories
Accounting, calculating and marking machines, spare parts and accessories
Writing paper (white)
Newsprint
Cardboard and hardboard
Fountain pens and propelling pencils
Books, periodicals and other printed matter
Stationery of all kinds

10. *Factories' and industries' requirements*
Basic (elementary) materials
Unworked aluminum
Parts and accessories for maintenance of factories and workshops
Chemicals of all kinds
Levelling instruments
Sulphur (raw and ground)

11. *Miscellaneous*
Arms and ammunition
Seeds and plants
Iron rope of twisted wire and iron hoops
Wrist and pocket watches, clocks and alarm clocks and accessories
Leather dyes
Boot polish
Fertilizers and manures
Wheat
Miscellaneous articles not mentioned elsewhere

13. *Government orders*
Government and semi-government orders.

trade and tariff regulations

Australia

IMPORTS OF CANNED FISH FROM THE DOLLAR AREA—The Australian import control authorities announced recently that imports of canned sardines from the dollar area will be permitted in 1955. This product has been prohibited import from the dollar area in recent years. In addition it has been announced that the arrangements for imports of canned salmon from the dollar area which were made in 1954 will be continued this year.

Indonesia

IMPORTS UNDER INDUCEMENT SCHEME REVISED—Effective March 24th, Indonesia revised the list of goods which may be imported against inducement certificates issued to exporters of certain Indonesian products. The following commodities have been added to the list of imports admitted under the inducement scheme: gramophones, record players, sunglasses and lenses therefor, perfumery, cosmetics, soap, cigar and cigarette lighters, umbrellas, awnings and Venetian blinds.

On the other hand, various commodities can no longer be imported into Indonesia through the use of inducement certificates, including the following: canned, smoked or otherwise preserved meats; meat extracts; fruit juices and other substances for preparing soft drinks; vanillin and similar prepared flavouring substances; fruit syrups; dog food; radio-phonographs; tape recorders; automobile radios; passenger automobiles and station wagons of a landed value from $2,100 to $2,400 United States currency—Djakarta, April 13.

The Indonesian inducement system was reported in some detail in "Foreign Trade" of November 7, 1953. Further, a notice in the March 5, 1955, issue advised that inducement certificates would no longer be granted for exports of rubber, which would cause a

considerable decline in the number of certificates available for imports under this scheme.

IMPORT LICENCE APPLICATIONS FOR INDUSTRIAL MATERIALS—Indonesian industrial enterprises may now submit applications to import at one time materials they require for a period of four months. Offers may be submitted at this time for imports covering the months May to August 1955. Until now, industrial materials could only be imported for a period of two months at a time. The Indonesian authorities hope that the new measure will assist industrial production by assuring greater continuity of operations.

This facility does not apply to cambrics, cloves, resin, weaving yarn and batik dyestuffs—Djakarta, April 13.

South Africa

REPRESENTATIONS RESPECTING THE TARIFF —It was announced on April 22, 1955, that the South African Board of Trade and Industries had received the following representations respecting the tariff:

Increase in duty on:

1. Cycle dynamo lighting sets, from 5 per cent to 30 per cent ad valorem.
2. Toilet brushes, by 20 per cent ad valorem.
3. The following tools, by 20 per cent ad valorem:
    - Cast iron caulking tools
    - Earthenware caulking tools
    - Crowbars
    - Cold chisels
    - Aluminum hawks
    - Wooden floats
    - Ball pein hammers
    - Granolithic jointers
    - Levels, wooden or aluminum
    - Precision machine levels
    - Granolithic reeders
    - Roofing punches
    - Soldering irons
    - Tommy bars
    - Tool handles
    - Masons' and plasterers' trowels
    - Wrecking bars
    - Line pins
    - Screwdrivers
    - Tire levers
    - Garden forks and trowels
    - Pneumatic chisels
    - Extrusion dies for the nut and bolt manufacturing industry
4. All-metal bodies for passenger-carrying motor omnibuses and trolley buses, from various rates of duty to 20 per cent ad valorem.
5. Raised sheeting also known as wintersheeting and flannelette sheeting and sheets, from various rates of duty to 50 per cent ad valorem or 5s. per lb., whichever is the greater.

Bringing into operation of the suspended duty on:

1. Cardboard, leatherboard, fibreboard, strawboard and millboard (but excluding linenboard and pulpboard for building purposes) to the extent of the whole suspended duty.
2. Textile webbings of a width under four inches, to the extent of the whole suspended duty.

The suspended duty, if brought into effect, would be additional to any existing duties.

Interested Canadian firms may wish to have their views on these tariff inquiries placed before the Board of Trade and Industries. The most effective way of doing so is for such firms to request their representatives in South Africa to act on their behalf before the Board. Since these matters are normally reviewed soon after the announcements are made, it is advisable to take action as soon as possible. Firms making representations may wish to use the services of the Canadian Trade Commissioners in Johannesburg and Cape Town.

Syria

IMPORT REGULATIONS FOR MEDICAL PRODUCTS—The Commercial Secretary for Canada in Beirut advises that a decision has recently been issued by the Syrian Ministry of Health concerning medical products entering Syria for the first time. These commodities must now be accompanied by a certificate issued by the Ministry of Health of the exporting country certifying that the new products are permitted to be sold and used in the country of origin.

This regulation does not apply to goods which have been imported freely into Syria in the past. These will continue to be admitted without further formality.

United Kingdom

CANNED FRUIT IMPORTS—Mr. D. A. Bruce Marshall, Commercial Secretary (Agriculture), London, informs us that an allocation of $300 thousand has been established to cover the import of Canadian canned fruits this season. The canned fruits will be imported by the trade and licences will cover peaches, pears, apricots, fruit cocktail or salad.

This is the second consecutive year in which imports from Canada have been authorized; last year, shipments were made to the amount of $170 thousand. However, this is the first time since prewar years that imports from Canada have been permitted under private trading and it is expected that Canadian exporters will quickly regain contact with their former buyers in the United Kingdom.

ADDITIONS TO WORLD OPEN GENERAL LICENCE—In Notice to Importers No. 724, the Board of Trade announced a modification of the World Open General Licence which has the effect, among others, of adding ferro-chrome, ferro-silicon and silico-manganese to the ferro-alloys admissible into the United Kingdom from any source without individual licence. Effective April 20, W.O.G.L. treatment is accorded to "ferro-alloys, unwrought, including silico-manganese but excluding ferro-manganese and spiegeleisen". Before that date, individual licences were required for ferro-alloys other than alloys of iron with beryllium, cerium, cobalt, molybdenum, tungsten, uranium and vanadium.

Other goods transferred to W.O.G.L. from April 20 include calcium, silicide, pine tar, pine pitch, pinene, turpentine, pine oil, and unground mineral phosphates of lime.

LICENSING OF CEREALS AND FERTILIZERS—Importers in the United Kingdom have been advised by the Board of Trade of certain administrative changes in the licensing of wheat, flour, various feed grains, and miscellaneous animal feedingstuffs and fertilizers, which have been admissible on Open Individual Licence since May 1, 1953.

Notice to Importers No. 722, April 13, explains that the main differences between the new arrangements and those formerly in effect are that each group of commodities will be covered by one licence for imports from all sources (instead of distinguishing between sterling and non-sterling sources); that returns of import commitments for fertilizers will be required at six-monthly (formerly monthly) intervals; and that the following have been added to the feed grains covered by the arrangements: broken maize, grits, kibbled maize, maize germ cake, maize germ meal, hominy chop, and sorghum meals.

Open Individual Licences issued under the new arrangements will have a validity period of six months commencing July 1, 1955. Until further notice, licences for subsequent six-monthly periods may be applied for six months in advance.

The Notice also announced that imports of flaked maize, wheat germ, and wheat gluten from Canada, the United States, and other dollar sources will be permitted on Open Individual Licence.

United States

PROPOSAL TO ELIMINATE ALL CONSULAR INVOICES—According to the *Federal Register* of April 27, 1955, the U.S. Bureau of Customs has announced that it is proposing to eliminate the consular and other certification of all customs invoices and to make provision for the eventual substitution of "Special Customs Invoice" forms for the present consular form 138.

This notice of proposed rule-making allows twenty days for the submission of views.

West Germany

CUSTOMS DUTIES TEMPORARILY REDUCED—Effective April 1, the rates of duty on over 300 items in the customs tariff of the Federal Republic of Germany were temporarily reduced. These reductions will remain in force until March 31, 1956. The commodities affected are largely manufactured goods, such as waxes, various chemicals, manufactures of rubber, textiles, metal manufactures and machinery. A list of goods of particular interest to Canada to which the reductions apply is being prepared for publication in the next issue of *Foreign Trade.*

Data for Exporters

The International Trade Relations Branch of the Department of Trade and Commerce has prepared bulletins covering shipping documents and customs regulations of the following countries: Austria, Belgium, Belgian Congo, Bolivia, Brazil, Chile, Colombia, Cuba, Denmark, Dominican Republic, Egypt, Finland, France, Western Germany, Greece, Guatemala, Haiti, Iceland, Indonesia, Israel, Italy, Mexico, Netherlands, Netherlands Antilles, Nicaragua, Norway, Panama, Peru, Surinam (Netherlands Guiana), Sweden, Switzerland, United States and Venezuela.

If you wish copies, write to the Branch. Data on other countries will be compiled from time to time and will be added to this list.

Foreign Commercial Representatives in Canada

ARGENTINA
Ottawa—Economic Attaché, Embassy of Argentina, 193 Sparks Street.
Montreal—Consul General of Argentina, 1111 Beaver Hall Hill.

AUSTRALIA
Montreal—Australian Government Trade Commissioner, 1255 Phillips Square.
Vancouver—Australian Government Trade Commissioner, 643 Hornby Street.

AUSTRIA
Ottawa—Chargé d'Affaires a.i., Legation of Austria, 445 Wilbrod Street.
Montreal—Austrian Trade Delegate, 1507 Crescent Street.

BAHAMAS
Toronto—Assistant Trade Commissioner, Victory Bldg., 80 Richmond Street, W.

BELGIUM
Montreal—Consul General of Belgium, 709 Sun Life Bldg.

BOLIVIA
Montreal—Consul General of Bolivia, 5612 Canterbury Avenue.

BRAZIL
Montreal—Commercial Attaché, Brazilian Government Trade Bureau, Room 302, 400 St. James Street West.

BRITISH GUIANA
Montreal—Trade Commissioner for British Guiana, 37 Board of Trade Bldg.

BRITISH HONDURAS
Montreal—Trade Commissioner for British Honduras, 37 Board of Trade Bldg.

BRITISH WEST INDIES
Montreal—Trade Commissioner for British West Indies, 37 Board of Trade Bldg.

CHILE
Montreal—Consul General of Chile, Apt 131, 3445 Cote des Neiges.
Vancouver—Consul of Chile, 1575 West Sixth Avenue.

CHINA
Ottawa—First Secretary, Embassy of the Republic of China, 201 Wurtemberg Street.
Vancouver—Consul General of China, 510 Hastings Street West.

COLOMBIA
Ottawa—First Secretary and Consul, Suite 16, Roxborough Apartments.
Montreal—Consul General of Colombia, 1822 Sherbrooke Street, W.
Toronto—Consul General of Colombia, 499 Oriole Parkway.
Vancouver—Consul of Colombia, 1575 West Sixth Avenue.

COSTA RICA
Montreal—Consul General of Costa Rica, 434 Elm Avenue, Westmount.

CUBA
Montreal—Consul General of Cuba, 1117 St. Catherine Street West.

CZECHOSLOVAKIA
Montreal—Commercial Attaché of Czechoslovakia, 1255 Phillips Square.

DENMARK
Ottawa—Royal Danish Legation, 451 Daly Avenue.
Montreal—Consul, Royal Danish Consulate, Room 815, Keefer Building, 1140 St. Catherine Street West.
Toronto—Royal Danish Consulate, 114 Danforth Avenue.

DOMINICAN REPUBLIC
Ottawa—Consul General of the Dominican Republic, 20 Bower Street.
Montreal—Consul General of the Dominican Republic, Apt. 4, 3201 Forest Hill Avenue

ECUADOR
Montreal—Consul General of Ecuador, 4919 Cumberland Avenue.

EGYPT
Ottawa—Chargé d'Affaires, Egyptian Embassy, Room 616, Chateau Laurier.

EL SALVADOR
Montreal—Consul General of El Salvador, Apt. 14, 1452 Bishop Street.

FINLAND
Ottawa—Second Secretary, Legation of Finland, 140 Wellington Street.

FRANCE
Ottawa—Commercial Counsellor to the French Embassy, 464 Wilbrod Street.
Montreal—Commercial Attaché of France, 610 St. James Street West.
Toronto—Commercial Attaché of France, 185 Bay Street.

GERMANY
Ottawa—First Secretary (Commercial Affairs), Embassy of the Federal Republic of Germany, 580 Chapel Street
Montreal—Consulate General of the Federal Republic of Germany, 1529 McGregor Street.
Toronto—Consulate of the Federal Republic of Germany, 77 York Street.
Vancouver—Consulate of the Federal Republic of Germany, 213-214 Crown Bldg., 615 West Pender Street
Winnipeg—Consulate of the Federal Republic of Germany, 424 Wellington Crescent.

GREECE
Ottawa—First Secretary, Royal Greek Embassy, Suite 110, Chateau Laurier.

GUATEMALA
Montreal—Consul General of Guatemala, 401 Metcalfe Avenue, Westmount.

HAITI
Ottawa—Consul General of Haiti, 18 Rideau Street.
Montreal—Consul of Haiti, 1405 Bishop Street.

HONDURAS
Montreal—Consul General, Consulate General of Honduras, Suite 423, 1117 St. Catherine Street West.

INDIA
Ottawa—Second Secretary (Commercial), Office of the High Commissioner for India, 200 MacLaren Street.

INDONESIA
Ottawa—Commercial Counsellor, Indonesian Embassy, 160 Metcalfe Street.

IRAQ
The Consul General of Lebanon is in charge of Iraqi interests. See address below.

IRELAND
Montreal—Irish Trade Representative (Irish Export Promotion Board), 1015 Beaver Hall Hill.

ISRAEL
Montreal—Consul General of Israel, Bank of Montreal Bldg., 1260 University Street.

ITALY
Ottawa—Commercial Attaché, Embassy of Italy, 133 Sparks Street.

JAPAN
Ottawa—Second Secretary (Commercial), Embassy of Japan, Room 701, Metcalfe Bldg.
Vancouver—Japanese Consulate, 510 Hastings Street West.

LEBANON
Ottawa—Consul General of Lebanon, 470 Wilbrod Street.

LUXEMBOURG
Montreal—Consul General of Luxembourg, 4832 Western Avenue.

MEXICO
Montreal—Consul General of Mexico, Room 806, Castle Bldg.

MONACO
Montreal—Consul of Monaco, Room 35, 35 Notre Dame Street West.

NETHERLANDS
Ottawa—Commercial Counsellor, Embassy of the Netherlands, 12 Marlborough Avenue.
Montreal—Netherlands Consulate, 1103 Castle Bldg., 1410 Stanley Street.
Toronto—Netherlands Consulate, 159 Bay Street.
Vancouver—Netherlands Consulate, 475 Howe Street.

NEW ZEALAND
Montreal—New Zealand Trade Commissioner, Room 609, Sun Life Bldg.

NORWAY
Ottawa—Secretary, Norwegian Legation, 140 Wellington Street.
Montreal—Vice-Consul of Norway, 1410 Stanley Street.

PAKISTAN

Ottawa—Commercial Attaché to the Pakistan High Commissioner, 505 Wilbrod Street.

PERU

Ottawa—Second Secretary, Embassy of Peru, 539 Island Park Drive.

POLAND

Ottawa—Acting Commercial Attaché of the Polish Legation, 362 First Avenue.

PORTUGAL

Ottawa—Legation of Portugal, 285 Harmer Avenue.
Montreal—Consul of Portugal, 1499 Bishop Street.

SPAIN

Ottawa—Commercial Office, Spanish Embassy, 149 Daly Avenue.

SWEDEN

Ottawa—Secretary, Royal Legation of Sweden, 720 Manor Road, Rockcliffe Park.
Montreal—Commercial Secretary, Royal Consulate General of Sweden, 1511 Bishop Street.

SWITZERLAND

Ottawa—First Secretary, Swiss Legation, 5 Marlborough Avenue.
Montreal—Consul General of Switzerland, 1572 McGregor Street.
Toronto—Consul of Switzerland, 600 University Avenue.
Vancouver—Consul of Switzerland, 402 West Pender Street.
Winnipeg—Acting Consul of Switzerland, 210 Mitchell-Copp Bldg., 334 Portage Avenue.

THAILAND

Toronto—Consul of Thailand, 200 Bay Street.
Vancouver—Consul of Thailand, 5416 Marguerite Street.

TURKEY

Ottawa—Turkish Embassy, 197 Wurtemberg Street.

UNION OF SOUTH AFRICA

Ottawa—Commercial Secretary, Office of the High Commissioner for the Union of South Africa, 15 Sussex Street

UNION OF SOVIET SOCIALIST REPUBLICS

Ottawa—Trade Counsellor, Embassy of the USSR, 285 Charlotte Street.

UNITED KINGDOM

Ottawa—United Kingdom Senior Trade Commissioner and Economic Adviser to the High Commissioner, 56 Sparks Street.
Edmonton—United Kingdom Trade Commissioner for Alberta, Imperial Bank Bldg., Jasper Avenue.
Halifax—United Kingdom Trade Commissioner for the Atlantic Provinces, 65 Spring Garden Road.
Montreal—United Kingdom Trade Commissioner for Quebec, 1111 Beaver Hall Hill.
Toronto—United Kingdom Trade Commissioner for Ontario, 67 Yonge Street.
Vancouver—United Kingdom Trade Commissioner for British Columbia, 540 Burrard Street.
Winnipeg—United Kingdom Trade Commissioner for Manitoba and Saskatchewan, 504 Main Street.

UNITED STATES

Ottawa—Commercial Attaché, Embassy of the United States, 100 Wellington Street.
Calgary—Consul of the United States, Toronto General Trusts Bldg.
Edmonton—Consul of the United States, 214 Empire Block.
Halifax—Consul of the United States, Bank of Nova Scotia Bldg.
Montreal—Consul General of the United States, 1558 McGregor Street.
Niagara Falls—Consul of the United States, Newman Hill, Falls Street.
Quebec—Consul of the United States, 1 Ste. Genevieve Avenue.
Saint John—Consul of the United States, 204 Union Street.
St. John's—Consul General of the United States, King's Bridge Road.
Toronto—Consul General of the United States, 360 University Avenue.
Vancouver—Consul General of the United States, 355 Burrard Street.
Windsor—Consul of the United States, Canada Trust Bldg.
Winnipeg—Consul General of the United States, 402 Tribune Bldg.

URUGUAY

Ottawa—First Secretary, Embassy of Uruguay, 170 Laurier Avenue, E.

VENEZUELA

Ottawa—Commercial Counsellor, Embassy of Venezuela, Roxborough Apts., Apt. 21
Halifax—Vice-Consul, Pickford & Black's Wharf.
Montreal—Consul General of Venezuela, 2052 St. Catherine Street West.
Toronto—Consul, 25 Adelaide Street East.
Vancouver—Vice Consul of Venezuela, 525 Seymour Street.

YUGOSLAVIA

Ottawa—Embassy of the Federal People's Republic of Yugoslavia, 17 Blackburn Avenue
Toronto—Consul General of the FPR of Yugoslavia, 27 Montclair Avenue.

The following nominal quotations may prove useful in checking prices. Canadian traders should consult their banks before making any firm commitments.

Conversions into Canadian dollar equivalents and units of foreign currency per Canadian dollar have been made at cross rates with sterling or the United States dollar on the date shown.

Except when buying and selling rates are specified, the mid rates only are quoted. The selling rate is that at which banks sell exchange to importers.

When several rates are indicated, the rate applicable depends on the commodity traded. Information on the rate for any specific commodity may be obtained from the International Trade Relations Branch, Department of Trade and Commerce, Ottawa.

Rates used exclusively in non-merchandise trading are *not* included in the table.

For conversion to United States dollar equivalent multiply by 1·01106.

foreign exchange rates

Country	Unit	Type of Exchange	Can. dollar equivalent April 29	Units per Canadian dollar	Notes (See below)
Argentina	Peso	Preferential buying	·1319	7·58	
		Basic buying	·1978	5·06	
		Preferential selling	·1978	5·06	(1)
		Basic selling	·1319	7·58	
		Free	·07120	14·04	
Australia	Pound		2·2135	·452	
Austria	Schilling		·03804	26·29	
Belgium-Luxembourg	Franc		·01971	50·74	
Belgian Congo	Franc		·01971	50·74	
Bolivia	Boliviano	Official	·00521	191·94	
British West Indies	Dollar		·5764	1·73	(3)
	Pound		2·7669	·361	(4)
	Dollar	British Honduras	·6917	1·45	
Brazil	Cruzeiro	Effective selling			
		Category I	·01111*	90·02*	tax 10% (2)
		Category V	·00300*	333·82*	*April 12
		Official buying			(5)
Burma	Kyat		·2077	4·81	
Ceylon	Rupee		·2075	4·82	
Chile	Peso	Official	·00495	202·22	(1)
Colombia	Peso		·3956	2·53	(6)
Costa Rica	Colon	Official	·1761	5·68	
		Controlled free	·1490	6·71	
Cuba	Peso		·9891	1·011	tax 2% (2)
Czechoslovakia	Koruna		·1374	7·28	
Denmark	Krone		·1432	6·98	
Dominican Republic	Peso		·9891	1·011	
Ecuador	Sucre	Official	·06594	15·17	
		Free	·05717	17·49	
Egypt	Pound	Official	2·8402	·352	(7)
Fiji	Pound		2·4927	·401	
Finland	Markka		·00430	232·56	
France	Franc		·00283	353·61	(8)
French Africa	Franc		·00566	176·80	(9)
French Pacific	Franc		·01555	64·31	(10)
Germany	D Mark		·2349	4·26	
Greece	Drachma		·03297	30·33	
Guatemala	Quetzal		·9891	1·011	
Haiti	Gourde		·1978	5·06	
Honduras	Lempira		·4945	2·02	
Hong Kong	Dollar	Free	·1697	5·89	*April 15
Iceland	Krona	Official	·06073	16·47	
		Special buying	·04787	20·88	
		Special selling	·03782	26·44	(11)
India	Rupeee		·2075	4·82	
Indonesia	Rupiah	Basic	·08676	11·53	(12)
Iran	Rial	Certificate	·01306	76·58	
Iraq	Dinar		2·7694	·361	
Ireland	Pound		2·7669	·361	
Israel	Pound		·5495	1·82	
Italy	Lira		·00159	630·12	

* Latest available quotation date.

Country	Unit	Type of Exchange	Can. dollar equivalent April 29	Units per Canadian dollar	Notes (See below)
Japan	Yen	....	·00275	363·90	
Lebanon	Pound	Free	·3062	3·27	
Mexico	Peso	....	·07913	12·64	
Netherlands	Guilder	....	·2603	3·84	
Netherlands Antilles	Guilder	....	·5245	1·91	
New Zealand	Pound	....	2·7669	·361	
Nicaragua	Cordoba ...	Effective buying	·1498	6·68	
		Official selling	·1409	7·13	
		With Surcharge I	·1229	8·14	
		With Surcharge II	·09841	10·16	
Norway	Krone	....	·1385	7·22	
Pakistan	Rupee	....	·2989	3·35	
Panama	Balboa	....	·9891	1·011	
Paraguay	Guarani ...	Basic	·04710	21·23	(1)
		With Surcharge I	·03663	27·30	
		With Surcharge II	·02747	36·40	(13)
Peru	Sol	Certificate	·05206	19·21	
Philippines	Peso	....	·4945	2·02	tax 17% (2)
Portugal	Escudo	....	·03452	28·96	(14)
El Salvador	Colon	....	·3956	2·53	
Singapore & Malaya	Straits dollar	....	·3228	3·10	
South Africa (Union of)	Pound	....	2·7669	·361	
Spain & Dependencies ...	Peseta	Basic buying	·04516	22·14	
		Basic commercial selling	·06022	16·61	(1)
		Free	·02539	39·38	
Sweden	Krona	....	·1912	5·23	
Switzerland	Franc	....	·2308	4·33	
Syria	Pound	Free	·2735	3·66	*Feb. 16
Thailand	Baht	Free	·04607	21·71	*Jan. 28
Turkey	Lira	....	·3532	2·83	
United Kingdom ..	Pound	....	2·7669	·361	
United States	Dollar	....	·9891	1·011	
Uruguay	Peso	Official	·6511	1·54	tax 6% (2)
		Basic buying	·5556	1·80	(1)
		Special buying	·4209	2·38	
		Basic selling	·5206	1·92	
		Special selling	·4037	2·48	
Venezuela	Bolivar	....	·2952	3·39	
Yugoslavia	Dinar	....	·00330	303·31	

* Latest available quotation date.

notes

1. Additional rates are in effect.
2. Tax affects selling (import) rates only; certain essential imports exempt.
3. Barbados, Trinidad, Tobago, Leeward and Windward Is., Br. Guiana.
4. Bahamas, Bermuda, Jamaica.
5. Brazil: Currency certificates auctioned for five import categories. Effective selling rate is official plus price of certificates. Exporters receive cruzeiros at official rate plus exchange premiums ranging from 18.70 to 31.70 cruzeiros per U.S. dollar depending on product.
6. Colombia: Stamp taxes of 3, 10, 30, 80 and 100 per cent on imports depending on essentiality.
7. Egypt: Exporters receiving payment in dollars are granted Entitlements authorizing purchase of exchange for dollar imports. Effective selling (import) rate is official plus premium (average of 10·8 per cent in March) on Entitlements.
8. Includes Algeria, Tunisia, Morocco, Guiana, Guadeloupe, Martinique.
9. Equatorial Africa, West Africa, Cameroons, Togoland, Somaliland, Madagascar, Reunion, St. Pierre and Miquelon.
10. New Caledonia, New Hebrides, Oceania.
11. Iceland: Special rates apply to minor export products of small fishing boats and designated non-essential imports.
12. Indonesia: Basic rate applies to all exports and essential imports. Purchase of exchange for other imports is subject to exchange surcharges of 33⅓, 100 or 200 per cent depending on product.
13. Paraguay: Basic rate applies to most Paraguayan exports.
14. Portugal: Approximately same rate for Portuguese Territories in Africa.

transportation notes

Brazil

NEW PORT IN SAO PAULO—The port of São Sebastiao in the State of São Paulo was opened to commercial shipping lately. The inauguration of this port is expected to ease the frequent congestion at Santos where facilities have proved inadequate to handle the volume of traffic—São Paulo, April 12.

India

RESCUE SYSTEM FOR BOMBAY AIRPORT—A co-ordinated scheme of rescue operations by land, sea and air in the event of air accidents in the vicinity of Santa Cruz airport, Bombay, has been drawn up by airport authorities and officials of the Bombay Municipality and Port Trust. A pilot ship, provided with radio telephone and wireless telegraph communications, and a tug fitted with life-saving equipment, fire-fighting appliances and wireless telegraph have been made available for this purpose. Two-way wireless equipment has also been installed in airport search and rescue vehicles—Bombay, April 15.

Italy

MERCANTILE FLEET—At the end of October 1954, the Italian mercantile fleet grossed 4,009,964 tons, made up of 679,393 tons of passenger and mixed cargo and passenger ships, 1,971,011 tons of cargo ships, and 1,190,103 tons of tankers. This total exceeds by more than 200 thousand tons Italy's maximum tonnage before World War II. By the end of the war, this was reduced to 400 thousand tons. The present figure, although larger than 1939, represents but 4 per cent of world tonnage, compared with 5 per cent at the earlier date—Rome, April 12.

Spain

ELECTRIFICATION OF RAILWAYS—The final stretch of the railway line in the mining district of Ponferrada has been completed and effects an enormous improvement in the grave transport problems in this region. Now well over 5,000 tons of coal can be transported every 24 hours, compared with 1,700 tons before the line was electrified. The switch-over from steam traction to electric power has meant an estimated saving of 43,000 tons of coal a year. This was the first step in the plan for the overall electrification of the Spanish railways—Madrid, April 20.

Sweden

SHIPBUILDING—In 1954, Swedish shipyards delivered 70 vessels with a total gross tonnage of 633 thousand, and 67 vessels of 550 thousand gross tons were launched. No less than 34 of the vessels delivered were tankers. It is interesting to note that 67 per cent of the deliveries were exported, earning over 500 million kronor and placing Sweden among the leading shipbuilding nations—Stockholm, April 15.

West Germany

SHIPBUILDING—The West German shipbuilding industry recorded an all-time high in 1954. On December 31, 1954, 72 vessels (401,836 registered tons) for export and 132 vessels (370,176 registered tons) for German shipowners were under construction in German shipyards. Biggest orders were placed by Liberia (126,993 tons, tankers), Norway (58,357 tons), United States (39,000 tons), United Kingdom (34,894 tons), Panama (22,000 tons, tankers), and the Commonwealth countries (21,117 tons). The 1954 statistics place the Federal Republic third among tanker constructing nations, after the United Kingdom and the Netherlands. Deliveries by German shipyards during 1954 totalled 251 vessels with a tonnage of 875,116 tons, surpassed only by British yards which produced 242 vessels with a tonnage of 1,495,657. Corresponding figures for 1953 were 245 vessels of 711,874 tons. The Federal Republic has now replaced Japan as second among shipbuilding nations, second only to the United Kingdom—Bonn, April 18.